A contextualisation of gendered entrepreneurial leadership.

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ABSTRACT

This teaching case is based on Candice Thurston, the founder and managing director of Candi&Co. The theme and purpose that this body of research was grounded in was gendered entrepreneurial leadership and the contextualisation thereof. The case study methodology of research was used and it resulted in the write-up of a teaching case and accompanying teaching note document. Gender and entrepreneurial leadership were examined in their individual components before being combined and contextualised within the framework of the protagonist, Candice Thurston’s, narrative case write-up. The theoretical aspects were covered and examined in the teaching note, with a specific focus on the multi-layered adaptation of institutional theory, as a tool, to contextualise this instance of gendered entrepreneurial leadership.
Declaration

I declare that this research project is my own work. It is submitted in partial fulfilment of the requirements for the degree of Master of Business Administration at the Gordon Institute of Business Science, University of Pretoria. It has not been submitted before for any degree or examination in any other University. I further declare that I have obtained the necessary authorisation and consent to carry out this research. This teaching case study represents the student’s perceptions and has not been approved by the organisation for teaching or examining purposes.

Philandra P Govender

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# Table of Contents

ABSTRACT ....................................................................................................................... II  
DECLARATION .................................................................................................................. III  
TABLE OF CONTENTS ..................................................................................................... IV  

## CHAPTER ONE – INTRODUCTION .............................................................................. 1  
  - Report Format Brief .................................................................................................. 1  
  - Business and Academic Rationale ........................................................................... 1  
  - Theoretical Base and Learning Points ....................................................................... 2  
  - Course Applicability .................................................................................................. 3  
  - References ................................................................................................................ 4  

## CHAPTER TWO – RESEARCH METHODOLOGY ......................................................... 5  
  - Introduction to the Methodology .............................................................................. 5  
  - Research Method and Design .................................................................................. 5  
  - Population ................................................................................................................ 6  
  - Sample ..................................................................................................................... 6  
  - Unit of Analysis ......................................................................................................... 7  
  - Data Gathering Process ............................................................................................ 7  
  - Primary Data Collection: Interviews ........................................................................ 7  
  - Interview Guidelines ................................................................................................ 7  
  - Analysis ................................................................................................................... 8  
  - Limitations of Interviews ......................................................................................... 9  
  - Secondary Data Method ............................................................................................ 9  
  - Population ................................................................................................................ 9  
  - Sample ..................................................................................................................... 10  
  - Analysis ................................................................................................................... 11  
  - Limitations of Secondary Data Use ......................................................................... 12  
  - Ethics ....................................................................................................................... 13  
  - General Limitations ................................................................................................. 13
KEY LEARNINGS .................................................................................................................. 49

POSTSCRIPT .......................................................................................................................... 50

EXHIBITS .................................................................................................................................. 50

TN Exhibit 1: Porter’s Five Forces as described by Michael E Porter, 2008. .............................. 50

TN Exhibit 2 – Question 1 – solution ......................................................................................... 51

TN Exhibit 3: The evolutionary definitions of entrepreneurial leadership ............................... 51

TN Exhibit 4: Multi-Dimensional integrative framework for contextualising gendered entrepreneurial leadership ........................................................................................................................................... 52

TN Exhibit 5: Candice Thurston Trivia ....................................................................................... 53

TN Exhibit 6: Institutional drivers of women’s entrepreneurship ............................................. 53

TN Exhibit 7 – GEM 2016-2017 SA Profile .............................................................................. 55

TN Exhibit 8 – Entrepreneurial Ecosystem .............................................................................. 55

TN Exhibit 9 – PowerPoint Slides in lieu of classroom board plan .......................................... 56

REFERENCES ........................................................................................................................... 57

APPENDICES ............................................................................................................................ 59

APPENDIX 1 - ETHICAL CLEARANCE APPROVAL .................................................................. 59

APPENDIX 2 – PARTICIPANT INFORMED CONSENT & AUDIO RECORDING FORMS ................ 60

APPENDIX 3 – DISCUSSION GUIDES ....................................................................................... 70

Discussion Guide for Candice Thurston .................................................................................. 70

Discussion Guide for Ian Fuhr ................................................................................................. 70

Discussion Guide for Rudi Rudolph ...................................................................................... 70

Discussion Guide for Candi&Co clients ................................................................................. 70
Chapter One – Introduction

Report format brief

This body of research was conducted with the intention of producing a teaching case, hence, the structure of this report deviates from that of the traditional monograph. The report is structured in the following manner with the researcher presenting: introductory chapter outlining the academic and business rationale behind this case, the relevant learning points for students, the theory that would be taught with the use of the case and the courses in which this case could be taught. The researcher then proceeds to the second chapter which consists of the research methodology employed for this body of research. Chapter three presents the teaching case write-up and is followed by the teaching note in chapter four. The research is concluded with a section that contains all relevant appendices required for inclusion in the report. The researcher also places on record that references, in the required APA style, are included after each relevant chapter, as opposed to the inclusion of one consolidated list at the end of the report.

Business and academic rationale

Davis and Abdiyeva (2012) state that businesses owned by women play a crucial role in society, going beyond the creation of jobs and economic growth and venturing out in terms of creating entrepreneurial diversity due to the nature of their businesses being different to that of men. Davis et al. (2012) go further by stating that female-owned enterprises are also hubs of innovation and mention that they contribute towards the facilitation of social cohesion. Neneh, Van Zyl and Van Noordwyk (2016), found that over a two-year period, from 2013 to 2015, there was an 11% rise in the number of businesses owned by women in South Africa. Furthermore, a 2014 survey on South African SME’s shows that in excess of 78% of businesses owned by women are deemed to be profitable, in comparison to just 70% of their male counterparts. Given the results of the aforementioned study, the researcher states that the business rationale for this body of research and resulting case study, would be a contribution towards empowering, inspiring and motivating women to actively pursue more profitable entrepreneurial endeavours.

The case study is based on the founder and managing director of Candi&Co, Candice Thurston. Candice, has successfully started, grown, franchised, managed and sold Candi&Co. The company which is now in its fifth year of operation, has eight franchised stores and the demand for more stores is being managed.
Given the positioning of the case in the South African hair care market, in terms of contributing to the knowledge of a local hair industry, the researcher proposes that this case study will shed light on the available opportunities for business development. Jellars (2017) reports that the largest consumer group within the haircare market is the ethnic African segment and this therefore implies that this market has the most potential. In the South African context, hair is a deeply-rooted psychological and societal issue. Business that catches onto the present trend and social movement of transitioning to a state of natural ethnic hair, stand themselves in good stead to capitalise financially in this growing market. Therefore, in terms of contribution to business, this body of research is well-timed and also very much relevant in the South African business context.

The academic rationale behind this body of research proves to be of greater value in this instance. The aim is firstly, to clear a path for future case writers to focus on female protagonists and secondly contribute to the body of existing case work that has been done. Furthermore, given that the use of a teaching case study is within the confines of a classroom, the motivation to influence and pique the thought processes of the students and contribute to their academic development is present. The researcher intends on shedding light on the multi-faceted, multi-layered nature of women’s entrepreneurship and to impress upon the readers (intended audience being students) the importance of affording sufficient attention to context in which such phenomenon occur; this rationale is in alignment with Welter (2011), who describes in great detail the need to understand economic behaviour in context and argues for a contextualisation of entrepreneurship based on the premise that onlookers often place more weight on internal attributes and tend to underestimate the weight of external factors that affect entrepreneurship.

**Theoretical base and Learning points**

The researcher’s interest lies in the multi-layered and contextual factors that have contributed to the founder’s success in her role as an entrepreneurial leader. The main theory covered in conjunction with this case study is Institutional Theory. It is expected that the students would learn to identify, interpret and understand the contexts in which and by which entrepreneurial ideas are formed: they would also take cognisance of the various institutions, both formal and informal, that help or hinder, the start-up and management of a female-owned and run business, within the South African market.
Course applicability

The intended courses in which this case could be taught would be an entrepreneurship or leadership class, or a class covering organisational design. The target audience is students who are enrolled in an MBA programme, or students who have an interest and background in business.
References


Chapter Two – Research Methodology

Introduction to the methodology

This body of research culminated in the write up of a teaching case and corresponding teaching note – hence, the method of research employed was the case study method. The researcher also acknowledged that case study research, resulting in a teaching case write up, differed vastly from the traditional research report in terms of requirements. Therefore, the rationale behind the selection of the methodology and the in-depth description and defence of the methods employed for this study, is included below.

Research method and design

When the researcher initially embarked on this study with the end goal of presenting it in the format of a teaching case (and accompanying teaching note), the researcher referred to McGowan, Cooper, Durkin and O’Kane (2015) and accepted the premise that context and institutional awareness was critical if one was to attain comprehensive insights into how the development of female entrepreneurial leaders occurred. Therefore, in accordance with McGowan et al. (2015), the researcher placed on record the nature of this study being qualitative.

Considering that the researcher sought to analyse and understand the protagonist’s journey into the role of a female entrepreneurial leader, the researcher acknowledged that it would be based on the understanding of the lived experiences of the protagonist. This led to the interpretivist approach being the most appropriate approach for this body of research (Leitch, McMullan & Harrison, 2012). The researcher also acknowledged the limitation of an interpretivist study, in light of the statement by Leitch et al. (2012), that a “small-scale, qualitative study” will not make provision for generalisability. However, the researcher also noted that the intention was not to generalise but rather to gain insight in terms of richer details and “thick descriptions” (Leitch et al., 2012).

Yin (2014) argued for the applicability of the case study being used for this body of research. Yin (2014) noted that a case study approach may be relevant where the researcher sought to ask the questions of “how” or “why” as well as when the researcher would have no control over the behavioural events and would be focussed on contemporary events. In light of the researcher’s analyses, contextualisation of how female entrepreneurial leadership developed and the subsequent write up in a teaching case format, the case study method was the most appropriate method to use.
Population

As the researcher’s focus was on a South African female, who had successfully founded and ran an entrepreneurial venture – it rendered the potential population relevant for this study quite large and not completely known to the researcher. The qualifying criteria for inclusion was threefold: a gender requirement, South African nationality and the requirement of having founded and run a successful business venture. However, due to the nature of this body of research being different to that of the traditional research report – it was established early on that the researcher had already identified a possible protagonist to base the case on.

Sample

This resulted in the researcher’s use of a non-probable, purposive and judgemental sampling strategy: the academic reasoning for this sampling strategy being stated by both Patton (1980) and Saunders and Lewis (2012), that in the instance of the complete population not being known to the researcher the use of non-probable, purposive sampling and the researcher’s judgement was most relevant. This was therefore how Candice Thurston the founder and managing director of Candi&Co, came to be identified as the protagonist for this research.

Bearing in mind that the teaching case was a write-up on the narrative of the protagonist, the researcher intended for the write-up to be accurate, non-biased and therefore trustworthy. The researcher required the input of other stakeholders in order to verify and validate the protagonist’s narrative. It was then incumbent on the researcher to identify other relevant stakeholders within the protagonist’s sphere of operation. Again, these stakeholders were all selected by way of a non-probable, purposive sampling strategy and the researcher’s judgement, according to the rationales by both Patton (1980) and Saunders and Lewis (2012). These stakeholders were therefore selected because of their specific knowledge and experiences that were relevant to the case study.

The researcher identified Ian Fuhr and Rudi Rudolph who were both in senior roles at the sister company to Candi&Co, and who were also in a business partnership with the protagonist. To include an additional dimension to the case, the researcher also included clients of Candi&Co.
**Unit of analysis**

As per Yin (2014), in a case study where a type of leader was the focus and the said individual was the case, the unit of analysis became the individual. For this research, Candice Thurston was then deemed the primary unit of analysis.

**Data gathering process**

Gilham (2000) emphasized that a case study was a main method and that other methods such as interviews, observations, record analyses and surveys all fell within it as sub-methods. Therefore, the researcher used both the primary sub-method of interviews and a secondary method of secondary data gathering. The researcher explained both chosen methods below.

**Primary data collection: Interviews**

Given that the main method was a case study with a protagonist and a narrative to be recorded, the most efficient way for the researcher to gather data was by way of face-to-face interviews: this being an effective tool to capture the subjective lived experience of the participants as well as gain a contextual understanding thereof (Dean & Ford, 2017).

**Interview guidelines**

The interviews that were conducted were face-to-face and took a semi-structured format. This semi-structured approach was selected in light of Rule and John’s (2011) argument, that it allowed for more flexibility and for the creation of space for the interviewer to pursue an intriguing line of inquiry that may have surfaced from the interview. This also resulted in insight that was free of any preconceived notions on the researcher’s part and a narrative that flowed at the pace that was comfortable for the interviewee.

The researcher made initial contact with the protagonist and conducted the first interview. This initial contact allowed the researcher to get a full account of the protagonist’s narrative free of any lenses or biases. Post-completion of the first and main interview with the protagonist and a preliminary analysis thereof, the researcher then continued interviews with the other participants. It should also be noted that the interview with the protagonist determined the discussion guides for the interviews with the other participants, hence the need for a preliminary analysis of the first interview.
Over and above note-taking during the interviews, the researcher also obtained permission from each participant to audio record the interviews. The recordings were taken on both the researcher’s mobile device as well as an audio-recording programme on a laptop for back-up. These audio recordings captured verbatim words and phrases of the participants which later provided content for the case write up process. A discussion guide for all the interviews were placed in the appendices section at the end of this document.

Analysis

The researcher transcribed the recordings as part of the analysis process. Qualitative research analysis techniques placed emphasis on a thematic analysis based on the in-depth study of the raw data collected (Teddlie & Tashakkori, 2010). The researcher then engaged in multiple readings of the interview transcriptions to identify areas that overlapped between the interviewees, and also to identify gaps in the narratives or contradictory information. The researcher established timelines for each of the relevant interviews as a means of keeping ahead of each development, theme and idea.

The main themes and/or ideas that emerged during the initial analysis process of the protagonist’s narrative were: the personal life story from birth, the protagonist’s take on female entrepreneurship and leadership, her career path prior to Candi&Co, the inspiration for the Candi&Co concept, the state of the South African hair industry, the execution of the venture, the franchising aspect thereof and finally the sale of Candi&Co. The researcher then based subsequent interviews with the stakeholders on selected themes that arose from the initial and main interview with the protagonist.

The analysis of the interviews with the two business partners resulted in the following themes and discussions emerging: their personal experiences with and their opinion of the protagonist, their version of the execution of the business venture, their roles respectively within the business, their narratives of the sale of the business, the franchising decisions and their predictions for the future of the business. The analysis of the interviews conducted with the two clients of Candi&Co were less complex and resulted in a simpler presentation of their experiences and their opinion the concept of Candi&Co.

The researcher made note of relevant findings and the data was kept on hand, as the researcher used it again during the analysis process for the secondary data gathered.
The researcher was also beginning the process of drafting the narrative for the teaching case write-up and the analysis of these transcripts formed the basis for the teaching case narrative.

**Limitations of interviews**

The researcher’s greatest limitation in this instance was that the access to stakeholders was limited. There were single interviews conducted with each of the participants and due to availability constraints - follow up discussions could not be held. A confirmation of the write-up and case content could only be done via email communications with the protagonist. The second limitation was the inherent bias in the narrative that is told by the protagonist. This therefore a factor the researcher had taken into account when the selection of other relevant stakeholders was made. The inclusion of other participants in the study however, was also not substantial enough to ensure a well-balanced write up due to inherent biases of their own. This resulted in the researcher also making use of secondary data to further bolster the case write up. A further limitation noted was that the interviewees who were involved deeply in the business as partners were guarded, to a level, about what they said during interviews.

**Secondary Data Method**

Secondary data according to Saunders and Lewis (2012), was data that was collected for a different purpose but could be gathered and used in a current research project. One of the main advantages for the use of secondary data was that it already appeared in the public domain and that it was also one way of gathering information that was unobtrusive (Saunders & Lewis, 2012). The researcher, in an effort to verify and validate all information received from the primary method of data collection interviews, then collected secondary data.

**Population**

To establish this population the researcher knew that an internet search for secondary data would be appropriate. The population for the purpose of this study would be all the information available online covering Candice Thurston, Candi&Co, The Sorbet Group, Long4Life as well as data relating to the South African hair industry and South African franchising industry. The population data presented itself in the form of company
websites, news reports, interviews, media accounts in the form of television interviews, photographs, industry reports, links to social media accounts and organisation press releases. This made up a very large but also clearly incomplete population from which the researcher then proceeded to sample.

**Sample**

In dealing with sampling from this established population, the researcher again used a non-probability purposive sampling strategy and exercised a great deal of judgement. This choice of sampling method was again based on the knowledge that population was not completely known to the researcher; it was vast and the application of the sampled data was for the specific purpose of the write up of the teaching case. The detail of how the sampling method was applied is described below.

To establish the sample that was drawn the researcher took into account the analysis results of the interviews and factored in themes that would be of interest and of relevance. The researcher also kept in mind the planned framework for the narrative content of the teaching case, and as such excluded certain themes that arose during interviews in this secondary data search. The personal aspects of the protagonist’s narrative as well as the protagonist’s career prior to the business venture was excluded from this part of the data gathering search as the relevance for inclusion in the teaching case was not present.

The researcher made use of the web-based search engine Google to search for publicly available information pertaining to the protagonist and the protagonist’s company with more specific search inputs. The exact search term used was, ‘Candice Thurston Candi&Co’. The researcher then performed a second search in relation to the two participants who were in partnership with the protagonist and noted what data was presented in those results. The exact search inputs were, ‘Ian Fuhr Candi&Co’ and ‘Rudi Rudolph Candi&Co’. A third search was conducted for information pertaining to the eventual sale of the protagonist’s company – as that had been a significant event that the protagonist had covered during the interview. The exact search input was ‘Candi&Co sale to Long4Life’. The researcher performed a fourth search for hair industry specific data and a fifth search for information relating to the protagonist’s choice of franchising business model. The search terms for these were ‘South African hair industry’, ‘South African ethnic hair industry’ and ‘franchise industry South Africa’.

The researcher exercised judgement on each of the five searches to obtain a list of secondary data sources that would be fit for purpose and appropriate to the teaching
case write-up requirements. The process by which the researcher further sampled was to narrow down the results to the first three to four pages of results – typically 30 to 40 individual results were listed within those four pages. The researcher further discriminated by specifying a time period for each of the five searches individually, as part of an advanced search. The time period factor was introduced at that stage due to the requirement on the researcher of a time period that the teaching case would cover being established. The researcher proceeded to skim-read text results from the first three to four result pages for each of the five searches and established relevance. The same procedure was carried out for video recording media that were presented as search results.

The sample that remained after the researcher had completed the purposive sampling selection covered the following areas: the protagonist’s company website, media house interviews (both in video and text format) with the protagonist strictly relating to her company from the time period of 2013 -2019, interviews with her two business partners strictly relating to the protagonist and her company also from the time period of 2013 -2019, press releases pertaining to the protagonist’s company spanning 2013 – 2019, and hair industry reports for South Africa with a time period of post 2012 date of publishing. The researcher also included reports pertaining to the franchising history in South Africa (no time period specified) and information publicly available about the eventual sale of the protagonist’s company which occurred in 2017.

Once again, the researcher stressed the intention behind maximising the use of multiple sources of evidence as it was proposed by Yin (2014) as a way to ensure data triangulation: the purpose of triangulation being to note the convergence of evidence, thereby adding weight to the construct validity of the case. Therefore, much effort went into obtaining secondary data sources that would serve as points of reference for the researcher during both the analysis and write up process.

Analysis

During the analysis process for all secondary data gathered, the researcher approached it in step-by-step manner. There was a large sample to analyse and with limited time the researcher made every effort to be thorough but also discriminatory for the purpose of absolute relevance and reliability. The results of the data analysis from the primary method were kept on hand, since the relevant themes that were noted from the interviews, were the guidelines by which the researcher sampled, and in turn analysed, the secondary data.
The researcher proceeded to read through all text interviews in-depth with the protagonist and matched responses and general themes to the researcher’s own interview results. This served to verify what the protagonist had presented as her narrative to the researcher. The researcher proceeded to watch complete video interviews that had been conducted by various media houses with the protagonist and further repeated the process of identifying corresponding themes and also contradicting or new information. The researcher also earmarked video recordings found on YouTube of the protagonist that were eventually included in the teaching note that accompanied the teaching case. This process was repeated for the text interviews that had been sourced, featuring the protagonist’s two business partners, and the researcher matched themes and responses in that instance as well.

The analysis of the hair industry reports was conducted to ensure that the researcher could extract information that was fit for use in the write up of the case study, in that it was a fair, accurate and unbiased account of the state of the hair industry. The information pertaining to franchising in South Africa was also analysed as the protagonist and business partners focused on the franchising aspect of the business in great detail.

The data that was gathered in the form of press releases from the protagonist’s organisation and the acquiring organisation relating to the sale of the business was analysed and selected for inclusion due to the sale being a key point within the teaching case narrative.

Limitations of secondary data use

In addressing limitations of the use of secondary data the researcher noted that results of the five searches done to establish the population, were not static – due to the inherent ever-changing nature of the internet and new information being available each day – the number of results of the initial searches could possibly be more or less if replicated at a future date. It was also noted that the inherent nature of a Google search displays results in a random order and that meant that not every search would result in the exact same display of results.

According to Saunders and Lewis (2012) the other pitfalls to the use of secondary data, and two that were also experienced by the researcher, were: first the data was collected for a different purpose and as a result did not meet the researcher’s need in its entirety, thus requiring discretion in how the data was eventually used in the write-up, second relating to the quality of the data – it was impossible to ascertain (in most cases during this study) how the information was collected for its original purpose (Saunders & Lewis,
2012), thus leading to the researcher continuously questioning interrogating the credibility of the data while processing it.

**Ethics**

As per University of Pretoria and Gordon Institute of Business Science requirements, the researcher made an application for ethical clearance in order to commence data collection for this research. Ethical clearance was obtained, and the researcher then proceeded to the data collection phase of the study. Ethical clearance comprised of obtaining a signed letter of consent from the protagonist which stated that they were aware of the study and consented to the researcher conducting it on them and their organisation. All participants were also provided with informed consent forms as well as audio-recording consent forms to sign prior to any interviewing commenced. The researcher also places on record that there was the option for all participants of this study to withdraw their consent at any time and cease participation without penalty. The ethical clearance document along with all signed consent forms, may be found in the appendices at the end of the document.

**General limitations**

In concluding this chapter of the report, the researcher addressed the other limitations at large, that are inherent with the case study method and more specifically the teaching case. Yin (2014) listed concerns that researchers have regarding the case study method, the first and seemingly most significant concern being the perception of a lack of rigour. The researcher put this down to unsystematic procedures and poor research technique. Given that the researcher had identified the root of a lack of rigour in regard to case study research approaches, necessary steps were taken to ensure that a systematic approach to the research process was employed at all times.

The researcher further acknowledged a second limitation: Yin (2014) stated with specific reference to teaching cases, that teaching cases are written in a certain manner with specific teaching objectives in mind. Yin (2014) stressed that during the normal case study research process, that was simply not done. At that juncture the researcher noted this stance and acknowledged that the final case study and accompanying teaching note was written from a particular perspective and with an academic-lecture context in mind. However, throughout the primary data gathering process the researcher endeavoured to ensure that all steps of the data gathering process was conducted in a manner that was
non-subjective and unbiased, prior to the analysis and writing up of the teaching case and accompanying teaching note. Effort was taken to ensure that data gathered was as true-to-situation and accurate as possible, therefore standing the researcher in better stead to produce the required output of a teaching case study – which was thereafter written in a planned narrative style as well as context and purpose specific manner.

The third limitation of this method as postulated by Yin (2014) and identified by the researcher as applicable to this study, was the inability to generalise from the single case. As previously stated, it was not the intention of the researcher to produce results that may be used for the purposes of generalisation, but rather to gain a deeper level of insight into the uniqueness of gendered entrepreneurship and convey these findings through the tool of a teaching case.
References


Chapter Three – Teaching Case

Candi&Co – Splitting hairs and revolutionizing the ethnic hair industry

“As a black child, my thick natural hair often felt like a burden. The lack of options offered by hair care producers reflected a culture that shunned natural black hair for decades. There were few, if any, products that nurtured natural black hair, but countless options that offered to permanently alter it.” Lynsey Chutel¹

As she walked through the store on a routine quality assurance report visit checking that everything was running smoothly, Candice knew that she had made great strides, but she also knew that there was a lot more work that needed to be done to deracialise hair and truly revolutionize this industry. Five franchised Candi&Co stores, all female owned in 2016, just three years after she had launched her pilot store added to her dilemma of whether she should agree to a sale at this early stage.

A country divided

Ringing true to the rainbow-nation ideal and diversity of South Africa’s demographic make-up, Candice Thurston’s family has Black, White and Indian roots. Born in the small, historic town of Ladysmith in 1983 mid-Apartheid regime, Thurston by her own words is “As mixed race as they come.”² Reflecting on her upbringing, she acknowledged the hardship her parents had endured in their pursuit of economic freedom. Thurston also credits her mother as being her first entrepreneurial role model as the struggle was not only one of an economic and political nature but also one that was deeply rooted in gender inequality as well. Thurston attributed much of her success and drive to witnessing the oppression of women around her a catalyst in her concerted effort to always strive for better. The uphill battle her parents had fought to ensure that their children had a solid foundation and platform to build their own lives in the

² Interview with Candice Thurston, January 11, 2019. All further quotes from Thurston are from this interview.
future was not something Thurston could easily forget. This hardship was further exacerbated by the tenuous and strained South African political state at the time.

‘Apartheid’ – a policy for segregation on the basis of racial group belonging - was a systematically enforced social and political state that spanned a period from 1948 until its abolishment in the early 1990’s.\(^3\) This social and political state had an overarching governing effect on everything from the area Thurston’s family could reside in, the schools she and her brother could be enrolled at, to the extra-mural activities she was allowed to participate in. The segregation by racial group continued right down to access to services and businesses that people of colour were allowed to visit. The effects of such a system were far reaching beyond more than just the physical level – but also at the psychological, social and economic levels.

The system served to deprive the majority of the South African population of access to resources and all forms of freedom. From the visible layer of collective segregation, the effects had weaved their way to the invisible levels of the individual psyche. The sense of identity of the majority oppressed race group was lost – from being disenfranchised to the level of lacking confidence in one’s own appearance.

When she thinks back to her childhood and visiting hair salons with her mum, Thurston recalls being told, “Oh, we can do your hair but, we don't do your mother’s type of hair.” With her hair type being very different from her mother’s curly hair, Thurston bemusedly remembers being asked if she was adopted. Resignedly she and her mother would have to engage the services of local community members who had ‘experience’ in doing a certain type of hair. More often than not, it would be in a makeshift salon in the back of someone’s house, in a very informal and unprofessional environment. This experience of Thurston’s was not unusual at the time as it was one that the bulk of women with ethnic hair experienced. This experience was also something that was still an occurrence in present day South Africa.

A guest of Candi&Co, as they are referred to, explained how whilst growing up she felt pressure to conform. And for her, conforming meant having straight hair. She stated, “There was never a moment as a young child where I felt the kink in my hair was acceptable.”\(^4\) The guest stated how the only option for ethnic hair was to chemically treat it so that it would be straight and appear sleek – a more desirable look. As an adult, operating within a corporate environment, where it was an unspoken norm that natural ethnic hair was unruly and therefore


\(^4\) Interview with Candi&Co customer #1, Feb 2019.
unacceptable, this also served to further reinforce her psychological conditioning that her hair was undesirable and needed harsh treatments in order to tame it.

**Inspiration and the industry**

Thurston, a long-standing guest of the Sorbet Group salons, scrolled through their website to locate a salon for her next nail appointment. The ‘franchising’ tab caught her eye and an idea took hold. Thurston considered staying in her role at MTN while running a Sorbet salon on the side. The application process begun and after clearing a screening round, Thurston was invited to a franchise presentation meeting. It was at this meeting that she had her first encounter with Ian Fuhr, Founder and Chief Executive Officer of Sorbet. Thurston left this meeting in awe of the brand and was completely taken by the Sorbet way of doing business. Coming from the world of corporate, the Unilever and MTN giants, Thurston noted how the Sorbet culture was strikingly similar to that of big brands. Sorbet was still a relatively small family business at the time, but Fuhr’s mantra of ‘people before profits’ resonated with Thurston. She felt the realness and authenticity of the Sorbet culture and was excited about the prospect of being part of this brand.

At home and reflecting more seriously on this possible venture, Thurston noticed how Fuhr’s company had successfully pulled off the formalising and legitimisation of the traditionally fragmented hair and beauty industry in South Africa. Thurston thought back to her hair salon experiences and identified the gap in the highly informal and fragmented ethnic hair industry. Her time at Unilever, working on the Sunsilk and Organics hair brands, shed light on just how racialised the hair industry was. The remnants of the bygone apartheid era still ran deep in the hair and beauty corporate space. The access to product for ethnic hair was largely controlled by the four multinationals L’Oréal, Proctor and Gamble, Amka Products and Unilever South Africa.

Research into the hairdressing sector in South Africa revealed a contribution of approximately 0.62% of the Gross Domestic Product (GDP).^{5} With the nature of the hairdressing sector being binary; (formal and informal), there appeared to be a widely accepted belief that the informal division serviced the ethnic hair market while the formal division serviced the Caucasian hair market. In economic terms it made sense that the growing black middle class coupled with a slowly growing movement of embracing one’s natural ethnic hair, were two factors that

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contributed greatly to a supply and demand shift that would take place within the hair industry. Another characteristic of the hairdressing industry, specifically the informal division, was that it was made up of many small businesses or one-person styled setups. This fragmented nature resulted in low barriers to entry which further translated into extremely high rates of competition. This highly competitive state had a knock-on effect of profit margins then being pushed down and also contributed to a higher level of entries and exit within the industry. Adding to this was the fact that the hair industry in South Africa was largely unregulated.

Many stylists and ethnic hair salons did not find value in formalising their trade, hiring adequately qualified staff or invest in skills development. Registering a business proved to be a costly and time-consuming process for a small salon or stylist with few staff and more concern about income. To register and comply with South African regulatory bodies such as the Bargaining Council for hairdressing, cosmetology, beauty and skincare industry was not seen as necessary or important.

From her experience both personal and professional, Thurston reflected on how underdeveloped the existing salons that catered to ethnic hair were. The informality and borderline unprofessionalism were simply an accepted norm. Poor service, inadequately trained stylists and unequipped salons were, once again, an accepted and unchallenged norm. During her research, Thurston noted only two potential competitors operating in Gauteng that seemed to have formalised their operations to a degree. Indalo Nubian Naturals, with two branches in the Pretoria CBD and Johannesburg CBD boasted a local celebrity client list but still stuck to the industry norm of taking walk-in clients. Jabu Stone was the second competitor, with a slightly different offering. Jabu Stone started out as an ethnic hair product manufacturer and then opened two salons in South Africa – one of these salons in Johannesburg. Having then explored the South African hair industry and interviewed colleagues, associates and friends, Thurston returned to the common thread of “…people actually said we wish we could have the Sorbet version for our hair. 30 percent was seeing the Sorbet model, and 70 percent was me just deep-diving into the research and finding out what women want.”

Knowing her market and pre-empting the areas she would have to be in to make this concept a reality, Thurston recognized that she would have to jump high barriers to entry in terms of negotiating with landlords and supplier agreements to name a few. It was not usual for ethnic hair salons to be granted leases in large malls due to preconceived notions that they would fail to make rent payments timeously. While the informal hair sector had fairly low barriers to entry – for Thurston, formalizing the hair industry would mean her target market was in the upper LSM-A category and the locations she would operate in were upmarket. Breathing life
into a concept that had as much potential and was as ambitious as this one, would require a partnership with people well-established in the hair industry already. Thurston knew what was needed and that she had to embark on this venture not just to own a salon but because she wanted to “fundamentally change the game.”

Proposals and partnerships

Thurston had prepared a proposal for Fuhr in January 2013. She had presented her idea for a Sorbet-like operation for ethnic hair to both Sorbet Chief Executive Ian Fuhr and Chief Operating Officer Rudi Rudolph. For Thurston, it was the pitch of her career and Ian was taken by her dynamic presentation style, wealth of knowledge and passion for changing the state of the industry. For Fuhr, the foray into ethnic hair was the next natural step for his company, but he acknowledged the need to partner with somebody who truly understood the market. Thurston came in with a specific skill set and Fuhr’s company provided the much-needed industry experience. Fuhr related how, “Candice had sold me on her idea when she said, I want to deracialise hair!” Deracialising hair translated into providing a service that was not based on race but rather on hair type. The Candi&Co salon was to provide professional hairstyling services to guests from all race groups with different hair types, but with an additional focus on ethnic hair -which was sorely lacking. Having successfully sold the idea to Sorbet, the deal covering percentage shareholdings, capital inputs and other legalities were struck, and the contract was signed in February 2013.

Her initial plan to continue working at MTN as a senior manager and run the salon on the side fell away, as Thurston left MTN and joined Sorbet in October 2013 officially. During the period between February and October 2013, there were monthly meetings and workshops held at the Sorbet offices in which the concept was built and modelled. The ground work encompassed conducting multiple small focus groups and then bigger focus groups. Thurston worked on the proposed logo, corporate identity and put together the Candi&Co services menu.

7 Interview with Ian Fuhr, 1 February 2019. All further quotes from Fuhr are from this interview.
Training school

During Thurston’s industry research she had identified many gaps relating to training of hair stylists especially in the aspects of ethnic hair. She found many training academies in operation but upon further investigation found that their curricula were outdated. The establishment of a formal Candi&Co training school was another significant and crucial component of laying a solid foundation prior to launching the first store. The Candi&Co training school then partnered with the L’Oréal Professional African Salon Institute and sourced candidates and then trained them according to the standards required to function in a role within a Candi&Co store. Critical skills to operate in this environment were identified and part of the curriculum of the Candi&Co training school covered hair analysis, which equipped potential stylists with the skills required to treat different hair types in a manner that would be safe and healthy. Problem solving skills were also identified as they would enable the potential stylist to think on their feet and be proactive in assisting clients with queries or any problems immediately. Hygiene and product safety were also identified as critically lacking in the hair industry, especially within the informal sector, therefore this also formed part of the training curriculum.

Thurston was particularly proud of the extent to which their training school programme covered not just the technical know-how hard-skills but also soft-skills. In keeping with the Candi&Co culture of customer service coming first and guest loyalty as a non-negotiable, the focus on upskilling stylists on how to give guests a great experience was key. During the planning process Thurston knew she was battling underlying notions that a career in ethnic hairdressing was not seen as first choice but rather as a last resort. This lack of professionalism and pride spurred her on to ensure another key outcome of the Candi&Co training programme, namely to empower and equip the trainees to manage their finances, do personal budgets and structure their own careers. This training programme completion time was 12 months and thereafter the graduate stylist would be considered for placement in one of the Candi&Co franchise partner salons. Candi&Co also made provisions for stylists who had an existing qualification in ethnic hair by allowing them to complete a three-month training programme which then suitably qualified them for employment within a Candi&Co store as well.8Candi&Co training school also made partial bursaries available to trainees.

8 https://www.mediaupdate.co.za/marketing/58921/the-sorbet-group-is-to-revolutionise-the-ethnic-hair-market Accessed 15 February 2019
Launching the pilot

Thurston launched the first Candi&Co store in Randburg Square on 4 May 2014. This pilot store was wholly owned by Thurston and her Sorbet partners Fuhr and Rudolph. Being very hands-on and staying true to the Sorbet principles of servant-leadership, Thurston worked hand-in-hand with a store manager and the stylists to setup, run and manage the store. Her attention-to-detail inherent orientation served her well as it allowed her to immerse herself in every aspect within Candi&Co. Leading by example and proactively motivating staff was an everyday conscious decision Thurston made as both the entrepreneur, and the leader of this new brand and movement.

Marketing

Growing the brand and perfecting the model was at the top of the priority list and considerable effort went into the marketing and public relations strategies. Coming from MTN, where the budget for advertising was a significant amount and having transitioned into her own business where the budget was around R100,000 Thurston stated, "I always say you do more with less, so I definitely had to be smart." She flexed her marketing muscle as she built a strong influencer strategy and partnered with South African celebrities. There was extensive press coverage in both print and TV form and a heavy focus on trade exchanges and pop-ups: pop-ups being credited as another strategy employed to get the Candi&Co brand out and lead in foot traffic to the store. In the hair (and beauty) industry image was critical, so Thurston harnessed the power of the social media platforms Instagram, YouTube and Facebook as another way to drive the brand awareness forward.

Operations

Within the third month of being up and running, Thurston had begun to tweak the model and add in treatments to the growing list of services. Candi&Co’s pilot store offered cutting, blow waving, treatments, braiding, ethnic hair styling and a nail service as well - always careful to highlight and maintain the mission of being able to do hairstyling that was healthy for ethnic hair. The Candi&Co Randburg salon was the first of its kind to drive the naturalist movement forward. Being able to offer hairstyling services that did not require chemical processing to get curls out and installing braids that would not damage customer’s hairlines, aligned the business with the growing consumer movement towards acceptance of natural ethnic hair.
In the way of store product offering, Thurston was also very deliberate in the choice of brands she partnered with. Introducing a brand was always underpinned by the thought process of the brand working for the needs of women of colour. Candi&Co salons stocked and used Mizani, Ladine, Design Essentials and 3 Sisters – products specifically created with ethnic hair in mind. There was also the offering of Moroccan Oil and Redken to suit other hair types as well.

**The differentiating factor**

The store offered a kind of formal appointment service that was unheard of in the ethnic hair industry before. It challenged the norms of the hair industry and even the mindset of the guest – who also had to get accustomed to a more professional service offering being available to them. If a stylist was late, for example, they would notify the guest and adjust bookings accordingly. It was never a requirement to make an appointment to get one’s hair done before – it had all been done very informally, and Candi&Co changed this. Thurston explained how professional friends and acquaintances of hers would make appointments for everything else, like a doctor or dentist visit but still drive out to a remote makeshift salon and simply wait for hours to get her hair done. It was unchallenged and accepted that waiting for service was part and parcel of getting their hair done. Another guest of the store gushed about how they offered something she was yet to experience from any other hair salon or stylist she used. The hair assessment service that her allocated stylist had conducted on her had impressed her greatly and she immediately knew her hair was in good hands.9

The pilot store also offered guests free Wi-Fi to encourage productivity during longer treatments – so a guest could still get work done whilst getting her hair done if she wanted to. And offerings like refreshments in the form of tea, coffee or champagne added to the guest experience. Understanding the consumer was critical to the success of Candi&Co. Thurston understood the nature of this experience and also knew that not everybody would be on board – she was after all on a mission to revolutionise an industry. She focused heavily on service consistency and kept her ear to ground to ensure that all the needs of her guests were heard and met. Offering guests, a loyalty programme with discounts on their birthdays, tailored vouchers and access to special promotions were all part of the consistent service strategy.

9 Interview with Candi&Co Guest #2, February 2019.
The Candi&Co name was garnering attention and the idea of deracialising hair had begun to catch. Opportunity soon came knocking in the form of an existing Sorbet franchise partner. This franchise partner approached Thurston with a proposal to open the first franchised Candi&Co store next to their existing Sorbet store in Carlswald Lifestyle Centre. Thurston knew that her business would have to scale up in a relatively short space of time if she wanted to make a significant impact within the industry. In order for her to achieve that she needed not just one, but many stores.

The Sorbet franchising model had proved to be an attractive one and one of the most obvious benefits of franchising a Candi&Co store would be the boost to Thurston’s vision without her having to inject any further capital into the setup of other stores. Thinking deeper about franchising, Thurston also realised that access and entry into business that would otherwise be off-limits to women would now be open via franchising opportunities. Her time in the corporate space also reminded her of the glass-ceiling that her corporate counterparts faced on a daily basis and the effects it had on limiting a career trajectory. Thurston acknowledged the high unemployment rate in South Africa and knew that entrepreneurial ventures were a way of addressing that problem. The change she had set out to make in the hair industry encompassed far more than just formalising and professionalising an industry. It delved deeper into the realms of leading entrepreneurial growth and incubating female entrepreneurship, employment and ultimately female empowerment.

With the goal being to grow rapidly and revolutionise the industry, the franchising aspect had to be carefully managed in order to ensure that the correct franchise partners were selected. Thurston recognised her lack of knowledge pertaining to the intricate details of franchising and knew that the biggest advantage of her partnership with Fuhr and Rudolph was their wealth of experience and knowledge on the franchising front. At the head of the franchising team, and the person who made the final decision on who would be a suitable franchisee, was Rudolph.

The Franchise Association of South Africa (FASA), a leading authority and the oldest leading franchising association that was internationally recognized on the African continent, serves to promote the business model of franchising to South African individuals as well as businesses. In alignment with the Candi&Co ideal of encouraging domestic growth and transforming potential, FASA promotes development in terms of legal, socio-economic and

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10 https://www.fasa.co.za/vision/ Accessed on 15 February 2019
political shifts. Thus Candi&Co’s membership within FASA further served to legitimize and formalize the process of franchising this new business.

Rudolph glossed through the process making sure to emphasise the importance of him knowing the true motives of the potential franchisee. Buying a Candi&Co franchise was not a quick or cheap transaction and the selection and screening process eliminated more potential franchisees than it let through. Selecting a franchise partner simply because they had met the necessary financial requirements was a recipe for disaster. Interviews and presentations were some of the methods employed to screen potential franchisees and the process was ruthless. Finally, credit checks and various verification steps were also taken to ensure that the potential franchisee met the financial requirements.

Rudolph’s explanation of the franchisee selection process highlighted just how carefully they had worked to ensure that they onboarded the right franchisee and a similar sentiment was echoed by Ian. Rudolph stated the non-negotiables were, “(...) business experience and amongst other things management experience – as that is an important component of our business.”

11 Whilst Fuhr emphasised that, “Quite early on in the journey we found that it was better to have a business person and teach them about the beauty industry, than a beautician and teach them about business.” Rudolph prudently managed the franchise demand and worked by a strict policy of not being too hasty to open up stores simply because there were interested potential franchise partners. Candi&Co offered a turnkey solution to potential franchise partners. From training of staff, HR solutions, training and coaching of the franchise partner, store setup, supplier agreements, advertising and marketing all taken care of, all that was expected of the franchisee was for them to take over and run the store in the agreed-upon manner.

After much deliberation and potential franchise partner evaluation, a deal was done, and the first franchise store was opened in April 2015 in Carlswald. The Carlswald branch, remains one of the success stories of the Candi&Co chain, but that was not without its share of teething problems. The store changed ownership, after a rocky period of time. The original franchise partner sorely underestimated the commitment required to running a new-to-market store and therefore could not keep to the contractual agreements. Being too heavily reliant on the already established Sorbet brand, the franchise partner failed to afford the fledgling Candi&Co salon the necessary attention and support that was required when introducing a new brand to market. A sale of the store occurred, and a new franchise partner stepped in; to date the

11 Interview with Rudi Rudolph, 11 February 2019. All further quotes from Rudi are from this interview.
Carlswald salon made a complete turnaround and is one of the better performing Candi&Co salons across the board. Rudolph acquiesced that it was a concept that definitely needed a bit more time than they had thought.

Monitoring and control played a key role in the franchising growth and success story. It was accepted very early on, given the first forays into franchising and the teething problems experienced, that continuous monitoring and coaching was essential. From a monitoring perspective, Rudi applied a Quality Assurance Report (QAR) tool very rigidly to the stores. The QAR helped both the franchisor (Candi&Co) and the franchisee to proactively identify any potential areas that may become problematic. This QAR comprised of a scorecard styled evaluation that involved a visit to the store. The store was then evaluated on store upkeep and appearance, store cleanliness, complaint management procedure compliance, staff training requirements compliance, financial management checks in terms of cash flow monitoring and income statement checks and monitoring of tax and VAT submissions.

The franchising growth continued, and the second franchised store was opened in July 2015 in Blue Hills Shopping Centre. The third franchise opened its doors in August 2015 and was situated in Sunninghill’s Chilli Lane Shopping Centre. Another franchise partner was signed on in mid-2016, the store was opened in Northgate Shopping Centre and there were two more applications for stores being processed at the time.

The perfect model and diversifying

Being heavily involved and invested at all levels, Thurston and her partners were continuously monitoring each store and evaluating the business model. During the 2014 to 2016 period while the franchising demand had begun to grow and Rudi kept a watchful eye over franchise partners and their performance, Thurston was particularly attentive to what the guest of the stores would say, as feedback during this growth phase was key in refining the model further.

What was noticed, was a phenomenon that was prevalent in other salons – in both the formal and informal hair industry sectors. In all the stores Thurston had seen that guests were purchasing their own hair and having it installed at a Candi&Co salon. Having identified an opportunity, the Candi&Co hair range was introduced in November 2015 and made available throughout their salons. This was followed up by other complimentary products such as satin hair scarves and pillow cases, which further added to the income stream and also showed the consumer that Candi&Co actively sought to provide them with not just salon services but also quality lifestyle and aftercare products. The introduction of that product brand proved to be quite profitable and five stores later in 2016 the hair model was deemed perfect.
But perfecting the hair model was just the start. It had been noticed across the stores that the time a guest spent in a Candi&Co salon chair was far greater than the time a guest spent in a Sorbet salon chair. This meant that a stylist spent a longer period of time with each guest, could only do so much in a day and this automatically led to a cap in revenues per chair. The inherent problem of styling ethnic hair is the time that it takes. Something needed to be done to generate the shortfall income to push the stores over the R400,000 a month revenue mark. Comparing the 60-minute blow wave service chargeable at R195 to a proposed 20-minute waxing service, chargeable at R300, Thurston had the idea to incorporate a therapy room with other shorter services, over and above hair and nails came. This plan to introduce a therapy room would have required partnerships with brands, once again carefully selected for women of colour, and Thurston would have had to also obtain buy-in from one of their franchise partners to pilot it in their store.

To sell or not to sell

Thurston set to work bringing the therapy room concept to life for the latter half of 2016 and was scheduled to attend a conference with Fuhr and Rudolph. It was at this conference that Fuhr and Rudolph pulled Thurston aside and told her about an acquisition offer that was on the table. Brian Joffe, retired chairman of Bidvest Group and the founder of Long4Life Limited investment group, had indicated his interest in acquiring Ian’s Sorbet Group. The Long4Life group, listed on the Johannesburg Stock Exchange (JSE) in 2017, had an interest in acquiring lifestyle businesses. The Sorbet Group at large, under which Candi&Co fell, had met all the initial requirements that Long4Life was interested in. But Candi&Co was both the youngest entity and a minority within the group.

She had a lot of thinking to do, sat down with Fuhr and Rudolph and discussed options, ways forward and eventualities. As the business founder, three years in and five stores later Thurston was still investing in growing the business. Her priority was still to establish the brand until it had a formidable presence in the Gauteng region and then gradually move to other regions. To negotiate on a sale at that point bewildered her. She questioned what she was negotiating on? Was it what had been spent on the brand? Was it a negotiation for her partners to buy her out? Figures got thrown around and she questioned whether there would even be an amount that seemed ‘okay’ to settle on.

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12 https://www.long4life.co.za/about-us-overview.php accessed on 15 February 2019
Her mentors and partners sat opposite her and methodically picked apart her business. It was a strange moment for her – to witness the shortcomings and flaws of the model being highlighted. Comparisons between the growth trajectories of other companies under the Sorbet group were made and from the bigger picture – Joffe's company was truly in pursuit of the businesses within the group that had an established market position and a proven track record. Sorbet also had a great relationship and an established product portfolio with Clicks Group and Joffe had spotted a great acquisition in the making. Thurston's brain child, Candi&Co, was brimming with opportunity to consolidate the fragmented ethnic hair industry in South Africa however Joffe’s company appeared to be slightly sceptical. According to Fuhr, “They wanted fast and they wanted scale and growth!” Still in the early growth phase, Candi&Co had to be a ‘long-game’ that Long4Life would have been prepared to play.

It escalated into an emotional decision that drew Thurston back to the very start. She reassessed why she had started this business and how far it had come – Candi&Co was more than a stroke of luck or a purely economic opportunity-based business venture. There was a deep social aspect to it that brought her sense of rationality to the forefront. Thurston knew that Candi&Co had never been about her, it had never been about simply owning a salon. She had set out to change the way the consumer felt about their hair, to offer the consumer a service they did not believe they deserved, to professionalise an industry, to empower stylists, and to grow the industry in a sustainable manner. After a period of deliberation, she realised the value of her business and intuitively knew that greater things were at play. “It was tough from a confidence perspective. I questioned myself; am I doing the right thing? Is this ever going to work? But then I thought, why do they want to buy? Why are they pushing so hard for this if it was not a great idea?” Thurston mulled over those questions and also weighed out the most obvious advantage of a sale. She knew that with the even bigger backing of Joffe and Long4Life – the potential to grow exponentially was greater, and scale could be achieved at a rate that even she had not considered before. But she had started to create waves in the industry and the business was gaining traction organically as a result of her own hard work, meticulous planning and execution, dedicated approach, focus and a side of risk-taking capacity.

As she made her way to the next branch to conduct their QAR, she knew she had to make a decision on whether to sell soon. Would Long4Life truly allow her vision to materialise faster than she could do it on her own? Was this a possible growth strategy? Or would she have to consider breaking away from the Sorbet Group and continue building her vision alone? To sell or not to sell - this was Thurston’s dilemma.

Word Count 5441 (excluding footnotes & endnote)
Appendices

Appendix 1: Sorbet Group

The Sorbet Group


Appendix 2: Candi&Co Structure

Source: Case Author’s Own
Appendix 3: Candi&Co Life Cycle Graph

Candi&Co Business Lifecycle

Source: Case Author’s Own

Appendix 4: Long4Life Investment Focus

Long4Life

Investment Focus

- A proven track record;
- Strong cash flow generation;
- Market leading brands;
- Capital light businesses;
- Businesses with attractive growth prospects;
- Businesses with the opportunity to consolidate their respective markets;
- Established market position; and
- Experienced and entrepreneurial management.

Chapter Four – Teaching Note

Candi&Co – Splitting hairs and revolutionising the ethnic hair industry

SYNOPSIS

The case study covers the story of A South African female entrepreneur Candice Thurston. Thurston is the founder and CEO of Candi&Co, an ethnic hair salon that forms part of the Sorbet Group. Thurston’s personal and professional experience of the ethnic hair industry in South Africa, enabled her to identify the fragmentation in the market and successfully launch Candi&Co – South Africa’s first franchised ethnic hair salon. The case tracks Thurston’s background and then dives into a timeline from the initial idea phase in 2013 until 2016. The case is stopped in 2016, when Thurston has to decide about the sale of her fledgling business to South African businessman Brian Joffe’s Long4Life investment group.

This case can be taught in a class on entrepreneurship, leadership or in an organisational design course that examines an organisations structure. This case may also be used to teach students theories related to contextualisation of entrepreneurial leadership behaviour.

TEACHING OBJECTIVES

This case is aimed at students on an MBA programme. MBA courses on which this case may be taught are: Entrepreneurship, Leadership, Organisational Design and Environment of Business.

**Teaching Objective 1:** Students should be able to develop insight into an industry within which a business operates in order to understand why the business runs in the manner it does. In this instance it is for students to develop that insight into the hair industry in South Africa.

**Teaching Objective 2:** Students need to understand the importance of context and the influence it has on motivating individual entrepreneurial leadership behaviour. Students should possess a thorough knowledge and understanding of a theoretical lens that they would use to contextualise real-life entrepreneurial events. Students are therefore expected to be able to formulate a working definition of entrepreneurial leadership. They should argue for the need to contextualise events and be able to demonstrate an understanding of why Institutional theory is a useful theoretical lens to apply when contextualising a case.
Teaching Objective 3: Students should demonstrate sufficient ability to contextualise the case by applying the adapted multi-layered institutional theory to it.

Teaching Objective 4: Students should be able to address the protagonist’s dilemma and make a recommendation in light of evidence from the case and with knowledge gained from the process of working through the case and assignment questions.

RESEARCH METHODS

The case study method of research was conducted in order to produce this case. Interviews were conducted with the protagonist Candice Thurston, as well as her business partners Ian Fuhr and Rudi Rudolph. Further interviews were conducted with clients of Candi&Co to ensure a balanced view. There was a search for all relevant information pertaining to Candi&Co online and the researcher also utilised those secondary sources (interviews, news articles, press releases and organisational website data) to write up the case and as a way of ensuring that what was presented in the case was accurate and valid.

KEY WORDS AND SUBJECT CODE


ASSIGNMENT QUESTIONS

Question 1: Conduct a Porter’s five forces analysis on the South African hair industry that Candi&Co operates in.

Question 2: Establish a definition of entrepreneurial leadership and then, make an argument for the contextualisation of gendered entrepreneurial leadership with further support for the application of Institutional theory as the tool by which you would contextualise this case specific occurrence of female entrepreneurial leadership. Proceed to contextualise the case of Candi&Co using this framework.

Question 3: Drawing on evidence from the case as well as answers to the assignment questions 1 and 2, make a recommendation for what steps the protagonist should take next in relation to her dilemma.
ADDITIONAL MATERIALS

Students are expected to prepare for the lecture by pre-reading the following two articles and watching the listed video content.


SUGGESTED CORE READINGS


TEACHING PLAN AND TIMING

The following schedule is suggested for a 90-minute class:

<table>
<thead>
<tr>
<th>Duration</th>
<th>Outcome</th>
<th>Tips</th>
</tr>
</thead>
<tbody>
<tr>
<td>15 minutes</td>
<td>Orientation and clear instructions</td>
<td>Plan instructions prior to class with an outline of how to complete the exercise in the required time</td>
</tr>
<tr>
<td>60 minutes</td>
<td>Interactive, learning experience</td>
<td>See exercises below as suggestions to stimulate lively interaction and class participation</td>
</tr>
<tr>
<td>15 minutes</td>
<td>Debrief to recap learning points</td>
<td>Brief summary of theory and applications as well as complete assignment briefing</td>
</tr>
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</table>

**Note: Showing the class various exhibits are recommended throughout this teaching note – the instructor will find a PowerPoint presentation with said exhibits pre-arranged in the required order. These are included as TN Exhibit 9.

15-minute Orientation: The instructor can introduce the case by playing the YouTube video of the case protagonist to the class. The instructor may then elicit a response from the class by means of a vote as to whether the class thinks she should sell her business or not.

60-minute exercises:

a) Class Participation:

An exercise that will encourage the development of learners’ thinking, on the nature of the South African hair sector is as follows: The lecturer could ask the students to divide into groups of three or four. Students are to discuss the hair industry in South Africa from what is presented in the case and then they are to conduct an industry level analysis of the case. As with MBA cases students generally apply a Porters Five model to their case and for the purpose of this lesson it is assumed that they are familiar with the model and how to conduct an analysis. Students are to conduct a Porter’s analysis and random students may be selected to provide feedback to the class. This forms part of assignment question one and a Porter’s Five Forces
explanatory diagram can be found as TN exhibit 1. A completed Porters analysis is provided in the analysis of assignment questions section as TN exhibit 2. This exercise is done to ensure that all students are familiar with the case and the South African hair industry and sets them up for answering the remaining assignment questions.

b) Theoretical grounding exercise:

For the theoretical grounding section – the instructor is to address the topic of context from the standpoint that context matters. This part of the lesson covers what students would be required to know to complete assignment question two. The instructor should explain the concept of contextualisation and further highlight the need to contextualise cases of entrepreneurial leadership. The lesson should also cover entrepreneurial leadership, so as to draw in the class and help them establish a definition of entrepreneurial leadership since that is what they will essentially be contextualising. The instructor may show the class TN exhibit 3 – which is a tabulated form of the evolution of entrepreneurial leadership. The instructor should also address the topic of gender – from the angle that gender forms a significant part of this case. Students will be examining a case on gendered entrepreneurial leadership and gender should not be viewed as a variable but rather as part of the lens. A discussion into what Institutional theory is, should also be part of this 60-minute theoretical grounding exercise. The instructor may refer to the teaching note exhibit 4 for the case-specific adapted institutional theory framework that will be applied to this case. The instructor should explain the adaptation of the framework as well. The discussion should also cover institutional theory’s application and why it should be considered as the framework for contextualising this case. The instructor should at this point also hand out an extra sheet containing information that will allow the students to complete their assignment question 2. This additional sheet is to be found in the exhibit section as TN exhibit 5. TN exhibits 7 & 8 are also required for the solution preparation and can be handed out to students or displayed on a screen and discussed.

c) Solution preparation:

Post theoretical grounding exercise – the remaining time should be spent with the students applying the adapted institutional theory framework to the case and preparing to answer the assignment question two which is an actual contextualisation of the female entrepreneurial leadership phenomenon that is related in the case of Candi&Co. The lesson can be wrapped up by the reading of the post script.
ANALYSIS OF ASSIGNMENT QUESTIONS

Assignment Question 1: Conduct Porter’s five forces analysis on the South African hair industry that Candi&Co operates in.

Assignment Answer 1: Porter’s Five Forces is an industry level analysis tool that is often conducted in conjunction with other tools such as PESTEL or SWOT whenever an organisation considers a significant strategic move. Porter’s is a useful tool to aid an organisation in identifying opportunities and also taking decisions to differentiate itself and place itself ahead of its competitors.

Michael Porter (2008) stressed how the role of a strategist is to understand competition. Porter further noted that defining competition is no longer simple and relative only to an organisation’s rivals but has developed to include four other competitive elements as well. Porter (2008) proposed that these four elements be: suppliers, customers, potential entrants and substitute products. It was then stated that the rivalry that is a result of the combined five forces is what determines the structure of the industry and also guides the competitiveness within the industry (Porter, 2008).

It can be expected that the line between formal and informal hair industry may be blur and students may draw on both parts in answering this question. In that instance the following should guide the discussion: the case indicates a formal and informal state of the hair industry, students should bear in mind the protagonist’s goal of formalising the industry hence the analysis should find its base in the formal industry that Candi&Co is operating in. However, across the analysis the student should not underestimate the power that is present in the informal part of the industry.

Force 1: Threat of new entrants – Low to medium

- Barriers to entry are inclusive of but not limited to: start-up capital requirements – by which Thurston had to forfeit 100% ownership of her company and engage partners Rudolph and Fuhr of Sorbet Group in exchange for funding. For potential entrants – financing through a bank or savings and other forms of funding may be options – it is a costly process to engage on this level of service in the formal hair industry.
• Obtaining of premises in the upper LSM malls which was a costly endeavour and was also achieved by the backing of her partners at Sorbet again. **Ethnic salons not getting premises due to perception of them not meeting financial targets and making required rent payments**

• The cost of marketing in the industry is relatively high and a potential entrant may (or may not) possess sufficient capital or know how and contacts (like Thurston had) to ensure those business needs were met.

• A further barrier to entry that would serve to keep other potential entrants out is the need for economies of scale. Candi&Co again have the upper hand due to the negotiating power of its Sorbet Group partners. In terms of supplier agreements, as an example any new-comer to the industry would have to build up a reputation before enjoying such economies of scale.

• Establishing a solid brand identity and more importantly brand loyalty, was something Thurston focused on and it would be safe to say that any potential entrant would not have the leg-up on Candi&Co when a brand identity was concerned. Convincing a client to switch over from Candi&Co to a new unknown salon does not appear to be a simple task. A simple sale/opening special, for example, may not work since Candi&Co have devoted themselves to giving customers a consistent and top-class experience. Competing for current customers of Candi&Co may not grant a potential entrant any luck.

• This then leads to the point of cumulative experience – any potential entrant to market would be competing with Thurston, Fuhr & Rudolph’s combined experience in the hair and beauty industry as well. This certainly enables them to increase service levels at lesser cost than a potential new entrant would.

• Government regulations govern the standards of business registrations, tax compliance as well as labour relations as oversaw by the National Bargaining Council for hairdressing, cosmetology, beauty and skincare industry. These are legally binding prescriptions that may not prove so much of a difficult thing but rather a tedious task to keep abreast of for a potential entrant to the industry.

**Force two: Bargaining power of suppliers – Medium to high**

• L’Oréal South Africa, Proctor & Gamble, Amka Products and Unilever South Africa are the leaders within the hair industry. The brands that are stocked and used by Candi&Co come from the abovementioned multinationals. There is a definite power shift toward the supplier here as they are free to alter pricing at will. Due to Candi&Co’s mission to deracialise hair – they service all hair types and therefore purchase products
from multiple suppliers. As part of the Sorbet Group they do have much greater purchasing power and good supplier agreements in place, but they are still 100% reliant on their suppliers.

- Substitute suppliers are not a feature in this instance – the ethnic hair industry is only just beginning to gain traction and as such there is still no major uptick in suppliers other than the listed multinationals.

**Force three: Bargaining power of buyers – high**

- Given the fragmented nature of the industry and the substantially cheaper services offered within the informal hair industry and other less formalized (or professional) establishments – the buyers (customers) can very easily make the switch back to a lesser formalized establishment.
- However, the quality of service and experience offered by Candi&Co is superior to that received at other establishments - this makes up a key differentiating point that would serve to keep a client with Candi&Co and serves to reduce the buyer power.
- In the realm of buyer’s ability to get information – information is freely available, and the buyer can easily compare other establishments to Candi&Co. Again, the key factor to reducing buyer power would be the implementation of a loyalty programme – which Candi&Co does do.

**Force four: Threat of substitute products – medium**

- The largest threat in this realm is that the customer would stop utilising the services of hair establishments and salons and simply start doing their hair at home. They could use home-made natural products and do simple treatments themselves. Also, they could enlist the help of friends or family who simply ‘knows how to do hair’ – this has been an inherent quality of the ethnic hair industry in particular. Bear in mind that the ethnic hair industry is more informal than formal and has been operating for decades – the Candi&Co formalisation concept is fairly new and with all new concepts people are sceptical.
- They could also easily purchase chemical treatments from retailers and use them at home themselves. This is not necessarily the safest option – but the industry is not regulated, and chemical hair products are freely available to the public.

**Force five: Rivalry among exist competitors – low**

- There is a significant competitor within this formal ethnic hair industry that can be compared to Candi&Co - Indalo Nubian Naturals. However, with only two branches open – one in Johannesburg CBD and the other in Pretoria CBD – they
cannot compete with Candi&Co in terms of reach. Furthermore, they still maintain the norm of walk-in service on weekdays.

- The other known competitor is Jabu Stone who did not enter the market as a salon but rather as an ethnic hair product developer. Jabu Stone has since then introduced two salons one in Polokwane (Limpopo) and one in Rivonia (Gauteng).
- Brand loyalty – again – big focus for Candi&Co. This would render the rivalry less intense as Candi&Co actively work at securing customer loyalty.
- Commenting on exit barriers – there does not appear to be high barriers to exit in this industry and this also renders rival less intense.

**Question 2:** Establish a definition of entrepreneurial leadership and then, make an argument for the contextualisation of gendered entrepreneurial leadership with further support for the application of Institutional theory as the tool by which you would contextualise this case specific occurrence of female entrepreneurial leadership. Proceed to contextualise the case of Candi&Co using this framework.

**Answer 2:**

_Entrepreneurial Leadership definition process_

Leitch and Volery (2017) note a significant growth of research in the field of entrepreneurial leadership in the last two decades and it is argued that the research conducted on large organisations proved to be non-applicable/ non-transferable to entrepreneurial ventures of a smaller nature or within the context of a fairly newer entrepreneurial venture. Leitch and Volery (2017) continue to point out that as an entrepreneurial venture grows there is a need for leadership that is able to manage tensions and any anomalies that may arise. In defining entrepreneurial leadership, the work of Leitch and Volery (2017) tracks the development of

*Note: TN Exhibit 5 is required in order for the students to complete question 2 – the instructor should have handed it our during the theoretical briefing session in class. TN Exhibit 7 & TN Exhibit 8 are also required for completion of this question – the instructor may display them or hand them out to the class.

*Note: The instructor may refer to TN Exhibit 6 for a deeper layout of the components of Institutional theory.
the definition over a period of time spanning 1991 to 2015. The evolution of the definitions are outlined in TN exhibit 3.

Given the array of definitions for entrepreneurial leadership in the TN exhibit 3, the criticism by Harrison, Leitch and McAdam (2015), stands that at present the phenomenon of entrepreneurial leadership is lacking in clarity or definition. They go on to state that this lack of cohesion in terms of defining the phenomenon is indicative of its still emerging nature as well as make note of how in developing a position, entrepreneurial leadership has had to adopt various theoretical streams.

Taking the aforementioned into consideration, it would be negligent to oversimplify and pigeon-hole entrepreneurial leadership in either or of the fields of entrepreneurship and leadership. Rather the move to consider an analysis of behaviours, interactions with context and to tease out and discern the essential makeup of the entrepreneurial leadership phenomenon – which is inherently dynamic would yield more fruitful outcomes; this is said in accordance with position that entrepreneurial leadership should be situated at the meeting point of both entrepreneurship and leadership (Gupta et al., 2004; Harrison et al., 2015; Renko et al., 2015).

Therefore, the definition of entrepreneurial leadership that will be used for the purpose of this assignment question is two-fold and draws on both the postulated definitions of Gupta et al. (2004) and Leitch, McMullan and Harrison (2013) as found in TN Exhibit 3. Entrepreneurial leadership will henceforth be understood as “a leadership role performed in entrepreneurial ventures, rather than in a more general sense of an entrepreneurial style of leadership” (Leitch et al., 2013) which in turn “creates visionary scenarios that are used to assemble and mobilise a supporting cast of participants who become committed to the discovery and exploitation of strategic value creation” (Gupta et al., 2004).

The need for contextualization

Welter (2011) posits the definition of context in management, “…refers to circumstances, conditions, situations, or environments that are external to the respective phenomenon and enable or constrain it” (p. 167). It should then be understood that context is also the constraints and opportunities that contribute to entrepreneurial behaviour. Welter (2011) describes in great detail the need to understand economic behaviour in context and argues for a contextualisation of entrepreneurship based on the premise that onlookers often place more weight on internal attributes and tend to underestimate the weight of external influences that may aide or hamper entrepreneurship.
In the analysis of entrepreneurial leadership, the stance that should be adopted therefore should be to direct efforts towards identifying and understanding the contextual nature of the process of entrepreneurial leadership development (Leitch, McMullan and Harrison, 2012; Welter, 2011). Additionally, it should be understood that entrepreneurial leadership is a phenomenon that is non-static, but rather dynamic and heavily dependent on contexts not only in the individual’s situation but also in light of the further historical, social and cultural contexts (Harrison et al., 2015).

**Dealing with gender as a variable vs a lens**

Leadership is referred to by Patterson, Mavin, and Turner (2012) as being shaped within the landscape of masculinity, therefore referring to leadership as being a “masculine domain”. With this statement, it can be concluded that leadership then supports the idea of males being suited to positions of leadership. The normalisation of the idea of leadership being masculine has rendered the notion of a female leader being out of alignment with the norm and also serves to legitimise a male’s claim to a leadership role over the claim of a female. The repercussions of this extend in terms of questioning the credibility or ability of a female who holds a leadership role and also alluding to unspoken exclusionary practices that may occur, as well as hint at an under-representation of women in positions of leadership.

Patterson et al., (2012) state that entrepreneurship has become synonymous with being male, hence the ingrained idea that the words “entrepreneur” and “man” can be used interchangeably taking root in the discourse. Ahl and Marlow (2012) also confirm the notion that the defining characteristics of an entrepreneur are inherently, historically and culturally male: this reveals a gender bias that subliminally positions the female entrepreneur at a lesser place in relation to men and subtly implies a need for women to fit the male-dominant stereotype in order to be classified as successful entrepreneurs. It is then further suggested by Ahl and Marlow (2012) that the research discourse (in summation) is based on a collection of gendered assumptions that cloud present research conducted in the field. The most dangerous of these assumptions, alluding to the gaps in entrepreneurial performance differences between male and female entrepreneurs as being attributed to individual factors in relation to femininity. This is therefore why gender should be used not as a variable but rather as a lens to understanding and contextualising gendered entrepreneurial leadership.
Institutional Theory proves to be a highly useful theory in the field of entrepreneurship research (Bruton, Ahlstrom & Li, 2010). And while a critical success factor may revolve around the access to resources, it would be haphazard to negate the impact that culture, legal contexts and history can have on the success of an entrepreneurial venture. Therefore, in this case study, where the concern is with contextualising the entrepreneurial leadership of Candice, founder of Candi&Co., the base of Institutional Theory is a suitable starting point.

The base of Institutional Theory is situated around its concern with how an organisation solidifies its position and establishes its legitimacy in accordance with the norms and rules of the environment it operates in. Institutional Theory encompasses the “regulatory, social (normative), and cultural (cognitive) forces that promote survival and legitimacy of an organisation” (Bruton et al., 2010; Yousafzai, Saeed & Muffatto, 2015). Welter, Brush and de Bruin (2014) further note that institutes are also classified as formal and informal institutes: the regulative institutes being formal institutes and the cognitive and normative institutes making up the informal institutes (Welter et al., 2014). Gimenez and Calabro (2018) make an additional contribution to the theory by compiling a table displaying institutional drivers of women’s entrepreneurship.

Within the regulatory pillar reference is made to a “rational actor model of behaviour”. This finds its base in sanctions and conformity (Bruton et al., 2010), alludes to formal enforcement, acceptance of legislation, policy, including compliance with industrial standards and agreements and contractual agreements (Yousafzai et al., 2015). The second pillar of Institutional Theory is concerned with norms and encompasses the behaviour of the case protagonist and the organisation based on the requirements of “social, professional and organisational interaction” (Bruton et al., 2010). While the first pillar relates to a compliance with formalised rules, the second pillar speaks to adherence to unspoken rules that are simply “how things are done” also referred to as “the rules of the game” (Bruton et al., 2010; Welter, 2011; Yousafzai et al., 2015). The third pillar relating to cognitive frameworks articulates with an individual’s behaviour based on rules that were gradually built, governing appropriate actions and beliefs in terms of culture and language (Bruton et al., 2010). Hence, the choice of Institutional Theory as the base to contextualise gendered entrepreneurial leadership seems useful, as the pillars identified all inevitably influence and shape the development of the phenomenon.

However, in order to truly contextualise the case in all its facets an adaptation to the Institutional theory framework is made. Based on an integrative and holistic study conducted by Naguib and Jamali (2015), it is stated that the combination of both Institutional Theory and
the multi-level analyses will add value and enhance the understanding of gendered entrepreneurial leadership in its applicable context. The first level is micro, in reference to the individual, and will focus on factors such as education, age, motivation towards self-employment, self-confidence and personal characteristics. The second level, meso, examines the factors of business type, access to capital and legal requirements. The third level of analyses, macro level, will account for social norms as well as perceptions and notions of the role of a woman. TN exhibit 4, drawn from the 2015 study of Naguib and Jamali, is the framework that will be applied to this case.

**Contextualising Candi&Co**

The framework is applied in the following manner: The left hand side of TN exhibit 4 covers the multi-levels that will be completed first. The right-hand side of TN exhibit 4 covers the three pillars of institutional theory and will be completed second. What follows is what students are expected to have populated from the case, appendices and TN exhibits 5, 7 & 8 to flesh out the multi-level analysis framework.

At the micro layer, which is solely based on the individual – Candice Thurston, it is found in the case and exhibit 5 that she was 29 at the time the case commenced. She went to university and is in possession of two degrees both relating to Marketing and accounting. From the case it can be inferred that she displayed a strong sense of self-employment orientation as she exits the corporate world to embark on a business venture. It is stated that she is married; however, students would be prudent to note that she refers to her stores as her children in exhibit 5. Again, making an inference from the case and exhibit 5 it can be established that Thurston is self-confident and describes herself as driven, independent, hard-working, goal-oriented, driven, fun-loving, confident, family oriented, feminist and God-fearing. It is also mentioned that the protagonist’s mother was her first entrepreneurial role-model. These individual factors serve to illustrate the individual traits that would have contributed to the entrepreneurial leadership displayed by Thurston. It can be gathered that at the micro/individual level - Thurston was highly motivated and actively pursued and executed this business venture.

At a meso layer – further examination of the case displays the following: there were no mentioned legal factors within the case or appendices that could be stated as an influencing factor. However, the type of business activity plays a role at this layer of analysis – it is therefore identified as a franchised hair salon that provides services and product with a specific focus on ethnic hair. In identifying financial factors that affected the protagonist, students
should draw from the case as it is stated that Thurston acquired financial backing for her venture by entering into a partnership with Fuhr and Rudolph. This behaviour is accounted for in literature as an “entrepreneurial partnership” which would result in obtaining sufficient resources to support the growth aims of the business (Gonzalez-Diaz and Solis-Rodriguez, 2012).

Addressing the **macro layer**, the case and exhibit 5 layout the socio-economic factors that contributed to this instance of entrepreneurial leadership. The social norms translated into hair being a racialised subject. Early, in the case it is described in detail the protagonists personal experience with hair, growing up and further on in the case it is again stated how her professional experience in corporate (Unilever) served to cement the notion that the hair industry is still highly racialised. It is compounded by the quotes in the case from the clients of Candi&Co who allude to the social discrimination of them based on their hair.

The role of the woman in society is also analyzed at this layer and early on in the case it is mentioned how aware the protagonist was of the social struggle that women were faced with from a young age. This social acceptance of women and the subsequent gender inequality was impressed upon the protagonist. It can be gathered that largely due to the protagonist’s understanding and experience of the above macro layer factors came the motivation to embark upon this venture with a view to deracializing hair.

Addressing the **regulative pillar** of institutional theory, which is also stated by Welter, Brush and de Bruin (2014) to be formal institutes that govern conformity and compliance, students should include the following details that can be found in case as well as make inferences from TN exhibits 7 & 8.

Government legislation requires formal business entities to be registered as such and the South African receiver of revenue requires that registered entities comply with tax laws. Further government regulations relate to the Labour Relations Act that makes provision for the National Bargaining Council for hairdressing, cosmetology, beauty and skincare industry to set the labour policies that will govern how the protagonist’s venture will run in that aspect. These regulative institutes, as mentioned in the case served as a constraint to many others operating in the hair industry but for the protagonist – these further serve to legitimize her operation. Additional regulative forces are covered by Candi&Co’s membership with Franchise Association of South Africa (FASA) – this membership serves both as a regulatory one and also a legitimizing factor.

On the front of education and training policy: the case highlighted the short comings of the current state of education and training specifically in the hair industry. The TN exhibits 7 & 8,
which are extracted from the Global Entrepreneurship Monitor website report for South Africa (GEM) further display the South Africa government’s contribution towards and support for entrepreneurial education. This display compares South Africa to the global average and from the exhibits it can be inferred that South African governments contribution is insufficient. The 2016 entrepreneurial education at school stage rating of 1.83 and post-school at 2.37 – this out of a possible 5 score (“Boosting Jobs Through A Challenge Fund”, 2016). This institutional shortcoming served to be a constraint which the protagonist identified and proactively addressed in the process.

Covering contractual obligations: this is addressed in relation to the protagonist’s contract with her business partners. This contract is an institution in itself and it serves to govern their relationship and execution of the business idea. As stated in the case, it covers the shareholding percentages and capital inputs. This contract as an institution served to enable the protagonist to achieve her goal.

The institute of the business model also plays a role in contextualizing this form of gendered entrepreneurial leadership. Students should also have noted that the protagonist’s decision to engage with Sorbet Group and model her business in the same manner that Sorbet Group did, further served to legitimize her entry into the industry. Students may also then note the reverse legitimization, in light of the case-based statement that Thurston’s partner Ian Fuhr had intentions of entering the ethnic hair space with his Sorbet Group but acknowledged the need to partner with an appropriate person. This can be understood very simply as the legitimization of an entry into an ethnic hair market would only come about if the entry was made by a person of colour who understood and had experience in that market.

The normative pillar – referring to normative institutions that indirectly affect the organisation and the protagonist’s behaviour in relation to unspoken “rules of the game” (Welter, Brush and de Bruin, 2014) will be addressed next.

The values regulating preferred entrepreneurial behaviour can be found in the case as the protagonist addresses the lack of formality in the ethnic hair industry. The protagonist further mentions the process of getting hair done and describes how lengthy and tedious it is. There is specific mention of how accepted and unchallenged the process has become – that it is a norm for a person to wait for hours to get their hair done. The protagonist labels it as unprofessional and informal. The formalizing of the ethnic hair industry is indeed constrained by the current norm. This is the very norm she aims to change and challenge with Candi&Co.

Hair – in the figurative sense of the word should also be identified as a normative institute. The institute of hair in itself was what spurred the protagonist on to embark on this business
venture. The protagonist identified deep-rooted ethnic societal issues with how the potential consumer thought about their own hair. Referring to the case, the protagonist states how her goal is also to change the mindset of the consumer in relation to how they perceive their natural hair. This institute of hair itself became an enabling institute for the protagonist.

**Students may draw on the Apartheid legacy that was alluded to in the case – this is also correct and may result in classroom discussion that is sensitive but it must be acknowledged.**

The values pertaining to entrepreneurship in South African should also be examined within the normative pillar – as such values further serve to legitimate the protagonist’s position as an entrepreneurial leader. As found in TN exhibit 8, the perception pertaining to entrepreneurship as a desired career choice is relatively high with 73.8% seeing it as a good career choice and a further 76.1% ascribing a high status to being an entrepreneur. This institution therefore serves as an enabling one for the protagonist.

The cognitive pillar makes reference to informal institutes that are closely tied to the normative pillar as they show the way in which a normative institution is interpreted and acted upon (Welter, Brush and de Bruin, 2014). Therefore, students should link this cognitive pillar to the normative institutions discussed above.

The cognitive aspect of the preferred entrepreneurial behaviours translated into action from the protagonist’s part. The action was to partner with Sorbet Group and deliver a service that challenged the accepted norm offered services that women with ethnic hair were used to. This action serves to be a persuasive force that could also be viewed as an institution in its own right.

Students should note that institutions are not static in nature and just as they influence entrepreneurial behaviour, so too does entrepreneurial behaviour influence institutions and over time morph into an institution of its own (Welter and Smallbone, 2015). To explain that process, reference to the franchising growth that Candi&Co had experienced as per the case, serves to illustrate the process of other aspirant entrepreneurs being influenced by the protagonist’s entrepreneurial leadership. The franchise partner’s demand served to further legitimize this business venture of Thurston and slowly began to establish Candi&Co as an institute of its own. To further legitimize the franchise demand and subsequent growth of Candi&Co – this cognitive aspect serves to qualify the South African take on entrepreneurship being a desired or high-status career.

This formalizing of the ethnic hair industry by Candi&Co – articulates with the identification of norm of informality in the ethnic and with the understanding of hair as an institute on its own. The acceptance and legitimization of Candi&Co by its growth during the case time period and
the slow establishment of Candi&Co as an institute on its own also places it in the position of being a persuasive force within the industry.

In summation – the inspiration behind Candi&Co came from both personal experience and observations on the part of the protagonist. However, what truly enabled Thurston to deliver on her proposed idea of deracialising hair was a combination of both formal and informal institutions. Thurston was challenging ideas and norms that were decades old while entering into a fragmented industry and her success cannot be attributed to personal/internal characteristics alone. Although she is described as goal-oriented and hard-working, it must be acknowledged that the external institutional forces at play had a great effect on this instance of gendered entrepreneurial leadership. Students may note that her decision to partner with Sorbet Group gave her a considerable level of backing that opened doors in ways that other aspirant entrepreneurs may not have access to.

Question 3: Drawing on evidence from the case as well as answers to questions 1 and 2, make a recommendation for what steps the protagonist should take next in relation to her dilemma.

Answer 3: The dilemma that Candice Thurston is faced with is, whether to sell her company or not. There are two options that the protagonist then has to choose from: one, is to agree to a sale and relinquish ownership and control of her business and two, is to proceed with a management buyout (Ian Fuhr and Rudi Rudolph to be bought out) and retain 100% ownership and independent control of her business. Students should draw on their previous answers and list pros and cons for the protagonist as part of making a recommendation.

Option One: Sale Agreement

Pros:

- Bigger backing from Long4Life
- Business experience of Brian Joffe in addition!
- Legitimisation of ownership by a JSE listed company.
- Greater access to funding for product line development options or other business development strategies.
- Faster expansion in terms of store opening rates and also accelerated expansion into other provinces.

Cons:
• Loss of ownership completely.
• Inability to control the direction in which Candi&Co will go or grow. (Uncertainty regarding her role within the company post sale as nothing is mentioned in the case).
• In terms of company image – Candice was the founder and face of Candi&Co and this gave it substantial validation in the ethnic hair market. (Race & experience) Hence a sale may do damage to the image of the brand.
• While Candice wants to deracialise hair, Long4Life and Brian Joffe want maximum returns.
• Candi&Co is relatively small and young in comparison to the greater company makeup of the Sorbet Group – it is clear in the case and from the appendix 4 that Joffe is keen on companies with a proven track record, strong cash flow generation, established market positioning and capital light businesses. The danger of Candi&Co being closed down once the sale is made is very real!

Option Two: No Sale!

Pros:

• Candice is the founder and face of the company – this gave it that legitimacy it needed to grow. She wants to DERACIALISE hair.
• Candice understands and knows this ethnic hair industry on a personal and professional level which also gave her the leg-up to make a success of the business. She came with specific skills that Fuhr and Rudolph also needed in order for them to break into the ethnic hair industry.
• Her purpose for the business is also what added weight to its success, and this enabled her to grow to 5 stores in 3 years. The normative pillar analysis covering the informality of the industry and how Candice personally sought to address this is what made Candi&Co successful.
• The strength of the Candi&Co brand after just 3 years and 5 franchise stores is promising. She is a marketing maven and PR is also her strong point – this decision to retain ownership and go solo may be spun to the stores advantage.
• In the industry that this business is, image is critical. It does seem to bode well for her to establish independence and be 100% black and female owned as opposed to falling under the blanket of a corporate giant that may (or may not) be in touch with the needs of the target market.
The franchising model that Candi&Co adopted is a quick growth strategy and that could work to her favour in future growth efforts. This is balanced by her admission of a lack of experience in franchising however.

Cons:

- The cumulative experience of Brian Joffe, Ian Fuhr and Rudi Rudolph is lost.
- Candice has to grow the business alone.
- The struggle for female entrepreneurs who have to build a business on their own is far greater and Candice did not have those barriers with the partnership with Rudolph and Fuhr of Sorbet Group.
- Candice will then be in competition with Sorbet Group and not be benefiting from all the listed benefits of the association as mentioned in Porters 5 or the legitimisations that came from that association as noted in the institutional theory analysis.
- She does acknowledge that in terms of franchising, Rudi Rudolph was the expert. She had no experience on that front and this may be a steep learning curve for her - as franchise growth is a great opportunity if managed well.

The student's recommendations may go either way however for this answer it is suggested that Candice Thurston should remain involved in the management of the business whether there is a sale or not as is noted that much of the success was due to Candice Thurston's ideas, meticulous planning and execution.

**KEY LEARNINGS**

This case encompasses Welter’s (2011) work that argues for the understanding of entrepreneurial behaviour within context. It articulates well with the application of the adapted multi-dimensional framework that covers both institutional theory as well as micro, meso and macro levels of analysis: this enables the contextualisation of gendered entrepreneurial analysis. The Candi&Co case enables students to apply theories to a case with the purpose of understanding economic behaviour in its specific context. The same can be applied to other real-life situations that students may face in their careers.
POSTSCRIPT

Candice Thurston agreed to the sale of Candi&Co. The Sorbet Group was acquired in its entirety by Brian Joffe’s Long4Life Limited for a price of R113million in April 2017. Candice stayed on in the role of Managing Director. Since 2016 they have opened up three more franchise stores in Gauteng and they have also included the therapy room that Candice was working on prior to the sale.

EXHIBITS

TN Exhibit 1: Porter’s Five Forces as described by Michael E Porter, 2008.

**TN Exhibit 2 – Question 1 – solution**

<table>
<thead>
<tr>
<th>Threat of new entrants</th>
<th>Bargaining power of suppliers</th>
<th>Bargaining power of buyers</th>
<th>Threat of substitute products</th>
<th>Rivalry among existing competitors</th>
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<tr>
<td>LOW–MEDIUM</td>
<td>MEDIUM – HIGH</td>
<td>HIGH</td>
<td>MEDIUM</td>
<td>LOW</td>
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<tr>
<td>Barriers to entry</td>
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<tr>
<td>1. Start-up capital requirements - HIGH</td>
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<tr>
<td>2. Obtaining premises in the upper LSM malls - HIGH</td>
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<td>3. The cost of marketing - HIGH</td>
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<td>4. Economies of scale - HIGH</td>
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<td>5. Establishing a solid brand identity and more importantly brand loyalty</td>
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<tr>
<td>6. Cumulative experience</td>
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<tr>
<td>7. Government regulations govern the standards of business registrations, tax compliance as well as labour relations as overseen by the National Bargaining Council for hairdressing, cosmetology, beauty and skincare industry. — TEDIOUS &amp; COMPULSORY</td>
<td></td>
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<td>Source: Own solution</td>
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**TN Exhibit 3: The evolutionary definitions of entrepreneurial leadership**

<p>| Cunningham and Lischeron (1991) | <strong>Entrepreneurial leadership involves setting clear goals, creating opportunities, empowering people, preserving organisational intimacy, and developing a human resource system.</strong> |
| Ireland, Hitt and Sirmon (2003) | <strong>Entrepreneurial leadership is the ability to influence others and, to manage resources strategically in order to emphasise both opportunity-seeking and advantage-seeking behaviours.</strong> |
| Gupta, McMillan and Surie (2004) | <strong>Entrepreneurial leadership creates visionary scenarios that are used to assemble and mobilise a supporting cast of participants who become committed to the discovery and exploitation of strategic value creation.</strong> |
| Kuratko (2007) | <strong>Entrepreneurial leadership is a unique concept combining the identification of opportunities, risk taking beyond security and being resolute enough to follow through.</strong> |</p>
<table>
<thead>
<tr>
<th>Source</th>
<th>Definition</th>
</tr>
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<tbody>
<tr>
<td>Surie and Ashley (2008)</td>
<td>Leadership capable of sustaining innovation and adaptation in high-velocity and uncertain environments.</td>
</tr>
<tr>
<td>Leitch, McMullan and Harrison (2013)</td>
<td>Entrepreneurial leadership is the leadership role performed in entrepreneurial ventures, rather than in the more general sense of an entrepreneurial style of leadership.</td>
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<tr>
<td>Renko, Tarabishy and Carsrud (2015)</td>
<td>Entrepreneurial leadership entails influencing and directing the performance of group members towards the achievement of organisational goals that involve recognising and exploiting entrepreneurial opportunities.</td>
</tr>
</tbody>
</table>

Source: Own adapted from Harrison, Leitch and McAdam (2015), Leitch et al. (2017) and Renko, Tarabishy and Carsrud (2015)

### TN Exhibit 4: Multi-Dimensional integrative framework for contextualising gendered entrepreneurial leadership

![Multi-Dimensional integrative framework for contextualising gendered entrepreneurial leadership](source)

Source: Adapted from Naguib & Jamali (2015).
Source: Own – extracted from interview with Candice Thurston (January 2019)

TN Exhibit 6: Institutional drivers of women’s entrepreneurship

<table>
<thead>
<tr>
<th>Institutions</th>
<th>Indicators</th>
<th>Candi&amp;Co</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Informal</strong></td>
<td></td>
<td></td>
</tr>
</tbody>
</table>
| **Family Institutions** | Family to business support  
                         | Work-family balance  
                         | Marital status                    | Married, no children, female entrepreneurial role model (mum) |
| **Gender roles**      | Female identity  
                         | Start-up capital barriers  | Thurston identifies as a driven, feminist  
                         | She did not approach a bank but partnered with businessmen in order to fund her idea. |
| **Social norms**      | Social acceptance of women in the economy  
                         | Gender stereotypes  
                         | Entrepreneurial norms | Thurston is a feminist.  
<pre><code>                     | She does not conform to a gender stereotype. |
</code></pre>
<p>| <strong>Religion</strong>          | Religious values                                                                 | Thurston indicates that she is Christian |</p>
<table>
<thead>
<tr>
<th>Ideologies</th>
<th>Ethnic hair informality</th>
<th>Thurston’s intention is to revolutionize the industry.</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Fragmented industry</td>
<td>Belief that formal = Caucasian and informal = ethnic</td>
</tr>
<tr>
<td>Formal</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Economic rules</td>
<td>Emerging markets</td>
<td>SA is an emerging market.</td>
</tr>
<tr>
<td></td>
<td>Female business leadership</td>
<td>Thurston is heavily focussed on female business development &amp; leadership.</td>
</tr>
<tr>
<td>Regulations</td>
<td>Labour market regulations</td>
<td>Refer to Porter’s 5 analysis for all listed regulations.</td>
</tr>
<tr>
<td></td>
<td>Entry regulations</td>
<td>Franchising regulations also relevant</td>
</tr>
<tr>
<td></td>
<td>Industry barriers</td>
<td></td>
</tr>
<tr>
<td>Political rules</td>
<td>Political systems</td>
<td>The case tracks the change from apartheid to a democracy – this had bearing on the institute of ethnic hair in SA</td>
</tr>
<tr>
<td>Education &amp; training</td>
<td>General education</td>
<td>Thurston has tertiary qualifications &amp; corporate experience</td>
</tr>
<tr>
<td></td>
<td>Professional experience</td>
<td></td>
</tr>
<tr>
<td></td>
<td>Level of education</td>
<td></td>
</tr>
<tr>
<td>Contractual obligations</td>
<td>Formal business agreements</td>
<td>Contracts with Fuhr &amp; Rudolph</td>
</tr>
<tr>
<td></td>
<td>Business Model</td>
<td>Franchising model</td>
</tr>
</tbody>
</table>

Source: Own adapted from Gimenez and Calabro (2018)
TN Exhibit 7 – GEM 2016-2017 SA Profile

Source: Adapted from Global Entrepreneurship Measurement South African Profile Report 2016

TN Exhibit 8 – Entrepreneurial Ecosystem

- South Africa is an efficiency-driven economy
- 2015 – 9.2% adults started up a business compared to the global efficiency-driven economy average of 15%
- SA view on entrepreneurship is positive – 73.8% rate it to be a good career choice
- SA view on status of entrepreneurship as a career choice – positive – 76.1% rate it as high status
- Problem areas are: low transfer of R&D, lack of entrepreneurial education at school and post-school level, poor cultural and social norms towards entrepreneurship.
- Strong points: SA performs better in terms of legal and commercial infrastructure than it’s other efficiency-driven counterparts globally.

Source: Adapted from Global Entrepreneurship Measurement South African Profile Report 2016
**Q: Biggest Primary School achievement?**

A: Thistle Grove Combined Primary School.

**Q: How would others describe Candice?**

Mum - loving, family oriented & a feminist.

**Q: Female role model?**

**Q: Religious or not?**

Yes

**Q: Married?**

**Q: Any siblings?**

Johannesburg, South Africa

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Leadership

Defining Entrepreneurial Leadership

- **Porter’s Five Forces**
  - Rivalry among existing competitors
  - Threat of new entrants
  - Bargaining power of suppliers
  - Bargaining power of buyers
  - Threat of substitute products or services

- **Multi-Layer Framework**

- **Global Entrepreneurship Measurement**

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**SA’s Entrepreneurial Ecosystem Stats**

- **GDP growth** 6.1% (2017) compared to the global efficiency driver average of 5.6%
- **2018 Start-ups per 1000 population** 27.3
- **10-year average** 63.3
- **SA view on entrepreneurship as a career choice – positive** 73.6% rate it as high status
- **15%**

---

Source: Own
References


Appendices

Appendix 1 - Ethical Clearance Approval

Dear Philandra

Please be advised that your application for Ethical Clearance has been approved.

You are therefore allowed to continue collecting your data.

Please note that approval is granted based on the methodology and research instruments provided in the application. If there is any deviation change or addition to the research method or tools, a supplementary application for approval must be obtained.

We wish you everything of the best for the rest of the project.

Kind Regards

GIBS MBA Research Ethical Clearance Committee
Appendix 2 – Participant Informed Consent & Audio Recording Forms

Interview consent form

Dear Candice Thurston

I am conducting research which is expected to culminate in a written teaching case study, in the fields of contextual entrepreneurial leadership. Furthermore, my study will be framed within a gendered lens context. I therefore request an opportunity to interview you regarding your company, Candi & Co and the journey from idea conception to present.

The interview is anticipated to be conducted over two formal sit-down sessions followed by two feedback sessions. The total time required on your part is 8 hours - to be scheduled as per your availability. The nature of the interviews will be semi-structured, and the questions will cover your personal journey (Life story) as a founder and female entrepreneur, the nature of the South African ethnic hair industry, the idea and start-up of Candi & Co, growth and development of the company to date. The feedback meetings will be to ensure I have accurately captured the data and portrayed the narrative.

The contents of the interview may be made publicly available in the form of an MBA thesis, and possibly a published teaching case study that will be used for teaching purposes on Executive Management programmes. Your name, the company name, information supplied by yourself, and publicly available information may be used in the write up of a narrative which will detail and describe this event. The publishing of the case study for teaching purposes will require your final approval and written consent.

Your participation is purely voluntary, and you are free to withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

Researcher: Miss Philandra Govender
Email: 18359835@myibs.co.za
Phone: 082 960 9996

Supervisor: Dr. Caren Scheepers
Email: scheepersc@ibs.co.za
Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy
Email: ToefyT@ibs.co.za
Phone: 011 771 4189

Signature of participant: __________________________
Date: 2018-10-30

Signature of researcher: __________________________
Date: 2018-11-01
Audio recording consent form

Dear Candice Thurston

During this research case study on contextual entrepreneurial leadership within a gendered analysis context, you will be required to grant consent to be recorded. The recording will be in the form of audio for the interview which will be transcribed. Where required in the narration of the case study, direct quotes may be used where appropriate.

By signing this form, your grant the abovementioned consent to be audio recorded during this process. Your participation is voluntary, and you can withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

Researcher: Miss Philandra Govender
Email: 18359885@mygibs.co.za
Phone: 082 960 9996

Supervisor: Dr. Caren Scheepers
Email: scheepersc@gibs.co.za
Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy
Email: ToefyT@gibs.co.za
Phone: 011 771 4189

Signature of participant:
Date: 2021-10-30

Signature of researcher:
Date: 2021-10-30
Interview consent form

Dear Shalati Mlonogeso

I am conducting research which is expected to culminate in a written teaching case study, in the field of contextual entrepreneurial leadership. Furthermore, my study will be framed within a gendered analysis context. The company that I have selected to base my research on is Candi & Co. As part of ensuring I produce a fair and balanced write up, I will be conducting interviews with multiple stakeholders. I therefore request an opportunity to interview you regarding your customer experience with the hair and beauty franchise, Candi & Co.

The interview is anticipated to be conducted over one sitting and be at most 30 minutes in duration. The contents of the interview may be made publicly available in the form of an MBA thesis, and possibly a published teaching case study that will be used for teaching purposes on Executive Management programmes. Your name and information supplied by yourself may be used in the write up of a narrative, should you object to being identified please feel free to inform me.

Your participation is purely voluntary, and you are free to withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

Researcher: Miss Philandra Govender
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Phone: 082 960 9996

Supervisor: Dr. Caren Scheepers
Email: schepersc@wibs.co.za
Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy
Email: TofeyT@wibs.co.za
Phone: 011 771 4189

Signature of participant: 
Date: 05/02/2019

Signature of researcher: 
Date: 07/02/2019
Audio recording consent form

Dear Shalati Mpopane

During this research case study on contextual entrepreneurial leadership within a gendered analysis context, you will be required to grant consent to be recorded. The recording will be in the form of audio for the interview which will be transcribed. Where required in the narration of the case study, direct quotes may be used where appropriate.

By signing this form, your grant the abovementioned consent to be audio recorded during this process. Your participation is voluntary, and you can withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

Researcher: Miss Philandra Govender
Email: 183568885@unwrlx.co.za
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Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy
Email: ToefyT@gibs.co.za
Phone: 011 771 4189

Signature of participant: [Signature]
Date: 05/02/2019

Signature of researcher: [Signature]
Date: [Signature]
Interview consent form

Dear Rudi Rudolph

I am conducting research which is expected to culminate in a written teaching case study, in the field of contextual entrepreneurial leadership. Furthermore, my study will be framed within a gendered analysis context. The company that I have selected to base my research on is Candi & Co. As part of ensuring I produce a fair and balanced write up, I will be conducting interviews with multiple stakeholders. I therefore request an opportunity to interview you regarding your role within the hair and beauty franchise, Candi & Co.

The interview is anticipated to be conducted over one sitting and be at most 30 minutes in duration. The contents of the interview may be made publicly available in the form of an MBA thesis, and possibly a published teaching case study that will be used for teaching purposes on Executive Management programmes. Your name and information supplied by yourself may be used in the write up of a narrative, should you object to being identified please feel free to inform me.

Your participation is purely voluntary, and you are free to withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

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Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy  
Email: ToefyT@gibs.co.za  
Phone: 011 771 4189

Signature of participant:  
Date: 11/05/2019

Signature of researcher:  
Date: 11/05/2019
Audio recording consent form

Dear Rudi Rudolph

During this research case study on contextual entrepreneurial leadership within a gendered analysis context, you will be required to grant consent to be recorded. The recording will be in the form of audio for the interview which will be transcribed. Where required in the narration of the case study, direct quotes may be used where appropriate.

By signing this form, your grant the abovementioned consent to be audio recorded during this process. Your participation is voluntary, and you can withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

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Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy  
Email: ToefyT@gibs.co.za  
Phone: 011 771 4183

Signature of participant:  
Date: 11/02/2019

Signature of researcher:  
Date: 11/02/2019
Audio recording consent form

Dear Ian Fuhr

During this research case study on contextual entrepreneurial leadership within a gendered analysis context, you will be required to grant consent to be recorded. The recording will be in the form of audio for the interview which will be transcribed. Where required in the narration of the case study, direct quotes may be used where appropriate.

By signing this form, your grant the abovementioned consent to be audio recorded during this process. Your participation is voluntary, and you can withdraw at any time without penalty. If you have any concerns, please contact myself, Philandra Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

Researcher: Miss Philandra Govender
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Phone: 082 960 9996

Supervisor: Dr. Caren Scheepers
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Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy
Email: ToefyT@gibs.co.za
Phone: 011 771 4189

Signature of participant: 
Date: [Signature]

Signature of researcher:
Date: [Signature]
Interview consent form

Dear Ian Fuhr

I am conducting research which is expected to culminate in a written teaching case study, in the field of contextual entrepreneurial leadership. Furthermore, my study will be framed within a gendered analysis context. The company that I have selected to base my research on is Candi & Co. As part of ensuring I produce a fair and balanced write up, I will be conducting interviews with multiple stakeholders. I therefore request an opportunity to interview you regarding your role within the hair and beauty franchise, Candi & Co.

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Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toefy
Email: ToefyT@mgibs.co.za
Phone: 011 771 4189

Signature of participant: [Signature]
Date: 1 Feb 2019

Signature of researcher: [Signature]
Date: 1 Feb 2019
Interview consent form

Dear [Name],

I am conducting research which is expected to culminate in a written teaching case study, in the field of contextual entrepreneurial leadership. Furthermore, my study will be framed within a gendered analysis context. The company that I have selected to base my research on is Candi & Co. As part of ensuring I produce a fair and balanced write up, I will be conducting interviews with multiple stakeholders. I therefore request an opportunity to interview you regarding your customer experience with the hair and beauty franchise, Candi & Co.

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Your participation is purely voluntary, and you are free to withdraw at any time without penalty. If you have any concerns, please contact myself, Phillandria Govender or my supervisor, Dr. Caren Scheepers. Our details provided below.

Researcher: Miss Phillandria Govender
Email: 38359885@mweb.co.za
Phone: 082 960 9996

Supervisor: Dr. Caren Scheepers
Email: scheepers@gibs.co.za
Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toyefy
Email: Toyefy@gibs.co.za
Phone: 011 771 4189

Signature of participant: ______________________
Date: 05/02/2019

Signature of researcher: ______________________
Date: 05/02/2019
Audio recording consent form

Dear [Name],

During this research case study on contextual entrepreneurial leadership within a gendered analysis context, you will be required to grant consent to be recorded. The recording will be in the form of audio for the interview which will be transcribed. Where required in the narration of the case study, direct quotes may be used where appropriate.

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Phone: 011 771 4228

Co-Supervisor: Dr. Tracey Toely  
Email: ToelyT@gibs.co.za  
Phone: 011 771 4189

Signature of participant:  
Date: 05/02/2019

Signature of researcher:  
Date: 05/02/2019
Appendix 3 – Discussion Guides

Discussion Guide for Candice Thurston

A- Candice’s family background, history, education, and her work experience (Life story)
B- Meaning of leadership, being a women in leadership & business in South Africa
C- Candi&Co story – from idea to execution (timeline establishment)
D- Franchising aspect
E- South African hair industry
F- Strategies (operations, marketing, growth, financial, HR etc)
G- Long4Life sale
H- Candi&Co Post-Sale

Discussion Guide for Ian Fuhr

A- Pre-Candi&Co – why not enter into the ethnic hair industry?
B- Candice & her proposal – Ian’s version and his opinion on her
C- Franchising aspects – build on Candice’s interview
D- Post-sale – with hindsight are there things he may have wanted to change?

Discussion Guide for Rudi Rudolph

A- Complete run through of the Candi&Co franchising process.
B- Address the perceived power-balance franchisee franchisor relationship.
C- Rudolph’s version of Candice and the Candi&Co proposal.

Discussion Guide for Candi&Co clients

A- What services did the client use and their experiences.
B- Anything that sets Candi&Co apart
C- Thoughts/opinions on Candi&Co revolutionising the ethnic hair industry.