

FrieslandCampina & Ashridge Business School

Building international leadership capability and significant culture change

FrieslandCampina was formed in 2009 by a merger between Friesland Foods and Campina, creating the second largest dairy co-operative in the world with offices in 28 countries, over 21,000 employees, 19,000 member dairy farmers and selling to 100 countries worldwide.

At the time of the merger a co-created strategy development process confirmed an ambition to create the most successful, professional and attractive dairy co-operative for all its stakeholders – from member dairy farmers and employees to customers, consumers and society. This led to the creation of the FrieslandCampina route2020 strategy, uniquely defined by a strong corporate social responsibility agenda and its climate-neutral growth aspirations throughout the entire chain, “grass to glass”.

Looming as both a threat and an opportunity was a powerful external change affecting the organisation’s core business. The European Union’s milk quota, which restricts farmers’ milk production quantities to avoid surpluses, is set to be abolished in 2015, at which time FrieslandCampina will be obliged to take all the milk that member farmers produce.

The pressing leadership challenges facing FrieslandCampina were finding profitable new ways to utilise this milk in a home market already saturated with it in its purest form, growing new markets, and working closely with dairy farmers and chain partners across the globe.

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Meeting these challenges would require innovation, new thinking and high levels of responsiveness across the entire organisation. Three clear leadership and organisation development objectives were established in order to meet these needs:

1. To fundamentally change the organisation’s culture to strengthen performance and innovation – to embrace a culture of collaboration, empowerment, personal responsibility, global thinking and less-hierarchical, networked ways of working.
2. To develop strong, internationally mobile leadership capability. With much of FrieslandCampina’s leadership currently in the Netherlands, it was critical to establish a sustainable global workforce, willing to work across its many international bases.
3. To develop a truly global mind-set – to bring the outside in and develop a first-hand appreciation of international marketplaces, cultural differences and the needs of all stakeholders.



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Future leaders – the cornerstone

Addressing these challenges, Willem van der Lee, Corporate Director of Talent & Leadership Development at FrieslandCampina, explains:

“We needed to enable our future leaders to take the lead in growing our organisation and shifting our culture – to deeply understand global forces and take senior leadership positions around the world. Developing our talent pipeline swiftly became a priority for us.”

A partnership with Ashridge Business School in the UK was formed in 2010 in order to co-create an initiative that would specifically address these challenges and work at multiple levels.

Patricia Snel, Manager HR, explains why FrieslandCampina chose Ashridge:

“Although framed as a talent initiative, Ashridge understood that what we needed was as much about organisation development and culture change as it was talent development. Expertise in transfer of learning and organisational culture was important. Ashridge’s response focused on creating processes and experiences – learning and reflection, not teaching – and, paradoxically for a fast-track process, a slowing down in order to really enable growing, learning and change.”



The process is highly experiential and deeply personal and was designed to both mirror and stimulate the spirit of the new cultural energy – it blends the development of human potential with real-life experiences

Intense, immersive, experiential

“From the first session in Huizen, I could tell this is a life-changing experience. It still is. This is the highest impact development I have ever attended,” says one participant.

Each programme takes place over nine to 18 months. During this time participating managers experience multiple workplace development opportunities interwoven with major, catalytic leadership events. The programme sets the scene for on-going learning, deep-rooted personal growth and change.

The process is highly experiential and deeply personal and was designed to both mirror and stimulate the spirit of the new cultural energy. It blends the development of human potential with real-life experiences. Furthermore, there is a structured programme of groundwork and workplace challenges which ensures high levels of learning transfer and supports the change process within the leadership events.

Reflecting on how the initiative creates change, Lindsey Masson, Programme Director at Ashridge Business School, explains:

“The foundation underpinning every element is the personal self-awareness, growth and discovery focus. This creates the responsive base onto which all the new learning and experiences are able to stick. It changes people at deep and long-lasting levels, enabling an impact greater than the sum of the parts.”

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The catalytic experiences and strategic projects

The catalytic experiences, which anchor the process, range from immersive market inquiries in Shanghai and Ho Chi Minh City, working in an orphanage in Vietnam and milking cows at member dairy farms. These are a powerful way to challenge assumptions about customers and consumers, and about how a market – and the business – works.

The experiences enable managers to re-think, see their products in a new context and understand cultural differences, dietary preferences and societal needs.

In the B2C market inquiries future leaders immerse themselves in experiencing life first hand, meeting customers, competitors and consumers. They receive an immediate reality check, breaking down pre-conceived ideas about market potential.

The work in an orphanage for abandoned and disfigured infants and children is particularly moving, compelling participants to seek answers to questions around what more they can do to ensure that their work – and the product – meets needs beyond those immediate and local and how to ensure this mind-set sits firmly at the heart of their organisation.

The experiences also strengthen beliefs in the nutritional value of dairy products for children and the role FrieslandCampina plays in society and world health.

Strategic challenges are a red thread throughout the process and increase participants' ability to take a more strategic, global view and drive through change.



50%

50% of participants of the Talent Pipeline are undertaking either new assignments or jobs abroad

13

13 future leaders are already in senior management positions





Talent development for business growth and change

"We set out to enable the talent we have in our organisation to be the change we seek. To create a process which would be an accelerator of change, in order to achieve our ambition even faster. To change the way we work with each other, create unshakeable leadership capability and secure our long-term future – for us, for our member farmers and for our customers," says Cees 't Hart, CEO, FrieslandCampina

This talent development process is an ambitious and strategically important initiative at FrieslandCampina. It has led to significant changes at the organisation. It has successfully grown the talent pipeline and leadership capability, developing a cadre of talented individuals who have the necessary global mind-set and who are internationally mobile.

It has also developed future leaders' understanding of their customers, shareholders and teams and of what it takes to work successfully across boundaries to achieve the organisation's goals. It has stimulated culture change by creating multiple networks, bringing to life new ways of working that are non-hierarchical and empowering and enabling future leaders to influence senior leadership, innovate and play their part in addressing the leadership challenges at FrieslandCampina.

Willem van der Lee expands: "Future leaders, for the first time for many, deeply feel their responsibility. They have connected to their future role and its potential impact, and started working out for themselves how they must now develop and grow to meet the challenge. They have also emerged as greater advocates of the organisation, our values, members and products."



As the process moves forward, future leaders have continued to be placed in pivotal positions across the organisation and are making vertical career moves, all designed to expand the scope of their responsibilities and fast track them to future leadership roles.

At the time of writing, some 30 months into the programme, some key Talent Pipeline facts include:

- 47% of the future leaders have moved into new roles
- 13 future leaders are already in senior management positions
- 50% of participants are undertaking either new assignments or jobs abroad

Multiple examples of impact, new initiatives and innovation have emerged from the programme, including a new route to market in Saudi Arabia, securing new customers in Vietnam, the creation a CSR ambassadors' network and revisiting customer-related targets.

The *Developing Talent for 2020* programmes play a critical part in the delivery of FrieslandCampina's strategy and growth ambitions, in the preparation of the fast-approaching 2015 European milk quota abolishment and in ensuring the organisation is stronger, more innovative, responsive and future-proofed.

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