

# HOW ADOPTING THE CHALLENGER SPIRIT KICKSTARTED CULTURAL CHANGE

**A near death experience for a FTSE-100 FMCG business resulted in a strong request for change from the newly promoted CEO and Group HR Director. They took the opportunity to reset the purpose, vision and values for the organisation. The work with Relume helped to kickstart a cultural shift in support of the change.**

## 2013 SOUNDS LIKE IT WAS A BIG YEAR FOR THE ORGANISATION, CAN YOU TELL US MORE?

We had faced a major product recall which had sent the share price spiraling downwards; resulting in a potential takeover bid which was ultimately unsuccessful. We had survived but there was clearly some work to be done.

We had to find ways to drive revenue and profit growth. So, in conversation with our CEO, we decided we needed help from an external partner who would really enable us to take a big step forward in terms of our business performance through our leadership. We felt that we'd done pretty much everything we could think of doing and so the next natural step was to go to market and find someone.

After seeing five consultancies, none of them seemed to be the right fit for us. However, late in the process, we became aware of Relume.



## WHAT WAS IT THAT YOU WERE LOOKING FOR THAT YOU COULDN'T FIND IN THE SHORTLISTED PARTNERS?

We needed someone who could play at the top of the pyramid. Someone who could demonstrate that, over several years, they had come into an organisation at a similar level – CEO and top 100 leadership community – to drive a measurable step-change in leadership and business performance. We wanted to hear stories of how they had achieved that and what it took to get it right.

## WAS THE IDEA THAT RELUME PUT FORWARD VERY DIFFERENT FROM WHAT YOU HEARD BEFORE?

Yes, yes it was. What struck us with Relume is that the whole approach is different. It's around disruption; disrupting your existing way of thinking about problems. And that's exactly what they did in that first meeting. There was a fantastic moment when Khurshed said to our CEO towards the back end of the meeting, once they'd delivered their pitch and could see a positive level of engagement with what they were saying, "Listen I need to check in with you. Are you up for changing yourself as much as you are for changing this organisation?" I will always remember this because it was such a bold question to ask of a CEO in a pitch meeting. And it was so clear that if the answer had been no, or Khurshed had sensed any reluctance for change, then he wouldn't have got involved in the project. But from this conversation, our CEO demonstrated his commitment to making change as part of his personal role in disrupting

## SO, WHAT HAPPENED NEXT?

The first thing was a two-day workshop with the Executive team where Relume introduced the Challenger Spirit. This first intervention was such a huge success. There was great trust; everyone on the executive committee was engaged in the possibility of disrupting our culture to drive a different business performance.

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This was very powerful because not only did it get the team really engaged with what Relume were saying about the Challenger Spirit, it also made them challenge their own thinking about what it meant to be a challenger leader. From this we created experiments around how they would do something differently to achieve some sort of behavioural or business performance change. Straight after the two-days, every leader was offered a coaching session to work with one of the Relume team and help them achieve their experiment. The take up was 50% which was very high for our business and, in my experience, very high generally.

After this, the session was replicated with the top 100 leadership two months later; helping to create some of the cultural shift we were looking for. You could hear a lot of Challenger

## HOW DID YOU CASCADE THIS NEW APPROACH FROM LEADERSHIP DOWN?

For the first time, we also rolled out Challenger leadership within the deeper population - our senior management team which was around 100 leaders. We did so by summarising the two-day leadership session into a bite-sized chunk which could then be run easily within teams. This was rolled out by myself and my team to all leaders, who then engaged their teams in the roll-out; enacting change locally. For some, we went in and delivered directly to the teams. That's what really kicked the cultural change into action - there was energy, a buzz, momentum flowing throughout the business and not just within leadership.

“Over the first year of implementation, you could see and hear the Challenger Spirit no matter where you were in the organisation. That was enormously powerful.”

## DID YOU DO ANYTHING ELSE TO EMBED THE CHALLENGER SPIRIT ACROSS THE

Once we had the momentum, we introduced something called action learning with several teams to help them review how they worked and help them achieve a better result. It was a simple six-step approach to reviewing the impact each person had on a project or within a team. We piloted it with one team over a six-month period and witnessed a real change in how a brand re-launch was delivered. There was a whole new energy and enthusiasm about the project which resulted in far greater impact and success.

We also worked specifically with local operating companies to focus on specific challenges and attempt to achieve a performance breakthrough. So, in Ireland, it was around identifying significant cost of goods issues for that year and looking at how they could avoid that level of breakdown again. In Great Britain, it was around the reallocation of multimillion-pound advertising and promotion costs.



## THAT'S QUITE SOME CULTURAL AND LEADERSHIP SHIFT! DID YOU EXPERIENCE ANY DIFFICULTIES IS MOVING TOWARDS THIS NEW WAY OF THINKING?

There was some reluctance in pockets. Often this was around an individual leadership style and those leaders not engaging with the Challenger philosophy. I think it's quite difficult to translate some of this thinking across cultures and we experienced an issue of the Challenger Spirit translating well specifically into the French business units and to a certain extent, the US. What we learnt from this, though, is we didn't address this as a collective, early enough.

We also learnt that it's important to take these ideas to leaders when the time is right. So, we decided to focus on Great Britain and Ireland, which made up about 70% of business leaders, because these business units were the most engaged in Challenger leadership. We experienced a high level of engagement with the Managing Director of Ireland, which resulted in working very closely with his top team on refining their business unit strategy. The combination of the success within Great Britain and Ireland senior leadership teams then led to interest from the International Managing Director, who went on to do similar work with Relume; aligning his leadership team around the international business unit strategy and plan.

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I also wish we had done more with phase one. I think we all missed a trick here by not ensuring that the Challenger Spirit was embedded in the leadership and did make up the fabric of our organisation. Instead, phase one shifted into phase two – which was the actions around performance. We went onto the doing before really getting to grips with the why and how. If you look at the business now, you'll probably see Challenger leadership in patches with those who really bought into the idea and then won't see it anywhere else. Which is a real shame. We should have worked harder to find a way to embed it in every team, internationally.



## WHAT WAS YOUR MOST MEMORABLE MOMENT OF WORKING WITH RELUME?

Probably the feedback after the leadership event. The shift that they saw, and the power of the approach, was just enormous. Because of the disruptive nature, it signified a real shift in how we were going to lead. Taking personal ownership, being more disruptive and creative. It was so strongly connected to our vision, it helped bring that vision and our values to life. To be bold and win together. People saw that connection. They saw the Executive team constructively step back and allow more empowerment. It gave people some tools and some things to go back out to their teams with. And the Relume guys themselves, the very personal touches through the coaching and the follow up sessions that they did, people felt the approach was there to stay. And as I said before, with the leaders that really embraced the change, this did and does live on.

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## DID YOU WITNESS ANY OUTPUTS THAT YOU DIDN'T EXPECT?

I was surprised as the take-up of the coaching and then the amount of work those leaders, who embraced it, delivered to embed it within their teams. That was the power of it and something I wasn't quite expecting. I don't think we would have got this sort of engagement if we'd used another partner other than Relume, because what you tend to get with external partners is less effective follow up. But not with Relume. Relume become part of the organisation. I saw Relume helping empower our leaders to go out and empower their own teams in a more creative, more disruptive way which delivered better commercial results. In some of the more classic leadership programmes I've seen, this has been a struggle.



## ANY OTHER INTERESTING RESULTS THANKS TO THE PROJECT?

We're also part of the Great Place to Work survey and, over the two years we ran this project with Relume, the results shifted from 64% to 70% with three business units recognised as great places to work. While I can't say that was solely down to the work with Relume, it certainly played a part in helping us achieve these accolades.

On a personal level, it was life and career changing. The learning, for all of us, was beyond career and job. It was at a very personal level on how we could be more creative in solving our problems and our destiny and creating our own future. For many of us, it was a unique experience which led to a shift in the way they thought what a leader was and what a leader did. In a way which enabled them to get different results in their teams. I'd definitely work with Relume again.

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