

# Consumer Goods

Innovation in attracting, developing  
and retaining talent.



## ABOUT US

For over 50 years, Odgers Berndtson has helped some of the world's biggest and best organisations find the senior talent to drive their agendas. We deliver executive search, assessment and development to businesses and organisations varying in size, structure and maturity.

We work with firms across the consumer goods spectrum to discover and secure senior leaders. From international expansion to digital transformation, we work closely with clients to recruit executives with the experience to match with their objectives.

Beyond consumer goods, we also do this across over 50 other sectors, whether commercial, public or not-for-profit, and draw on the experience of more than 250 Partners and their teams in 29 countries.

# It's all about the employee

Technology might promise much, but no serious business advance will ever happen without people power.

What are your priorities? Developing new products and services? Building and executing new channel plans? Engaging with customers and consumers or integrating acquisitions? Creating experiences that customers return to again and again?

Whatever's on your must-do list, employees and their talents are either the drivers of success or the drag on progress.

The effective management of your talent has a direct impact on the capability of your organisation to thrive. The IOD (Institute of Directors) reports that employees are seen as a primary source of competitive advantage, equating to 80% of market value.

If a CEO delegates the culture, talent management and commercial performance of their company, frankly they delegate the future success of the business.

This paper highlights the changes required to attract talent from today's highly mobile and independent workforce.

It explains why the process of developing talent and effective learning needs to be more dynamic and immediate in its delivery.

Retaining talent now requires fresh thinking and the promotion of opportunities to those building a career in bite-size chunks. Companies need to be creative and provide an environment which is inclusive, where everyone's talent can flourish.

We provide contemporary examples where brands and businesses are stepping up to the challenge.

Innovation in talent management will set your business apart and give it every chance of success. People are truly your USP.

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# Smart talent management. It starts even before day one

“Innovation has to start with recruitment. If you don’t compete effectively for the best apprentices and graduates, your talent pipeline will be compromised. You can’t take out what you don’t put in.”

It used to be easy to recruit the best. Regular as clockwork, every summer, well-known confectionary brands would make 150 entry-level hires, offering no more than £25K and a Ford Escort, and the promise of management training. There’d be a long queue and they’d take the cream. Those days are long gone.

A new report from the IGD (Institute of Grocery Distribution) states the most important factors for Millennials when deciding on a job is, in order, work/life balance, promotable opportunities, training, company values, and finally... salary.

## New recruits

In response to this new generation, a number of companies are trialling Millennial-friendly recruitment initiatives.

When Brewdog launched their USA recruitment drive, it started with a two-day interactive open house at their Columbus facility. Candidates pitched their skills and BrewDog outlined their plans.

Goldman Sachs ran their adverts for graduates on Spotify. Ad agency O&M challenged applicants to submit ‘the world’s greatest pitch’ on YouTube.

Finally, the UK Armed Forces still run recruitment ads on TV, but the message has changed from ‘see the world, or learn a trade’ to one which emphasises a sense of belonging and comradeship.

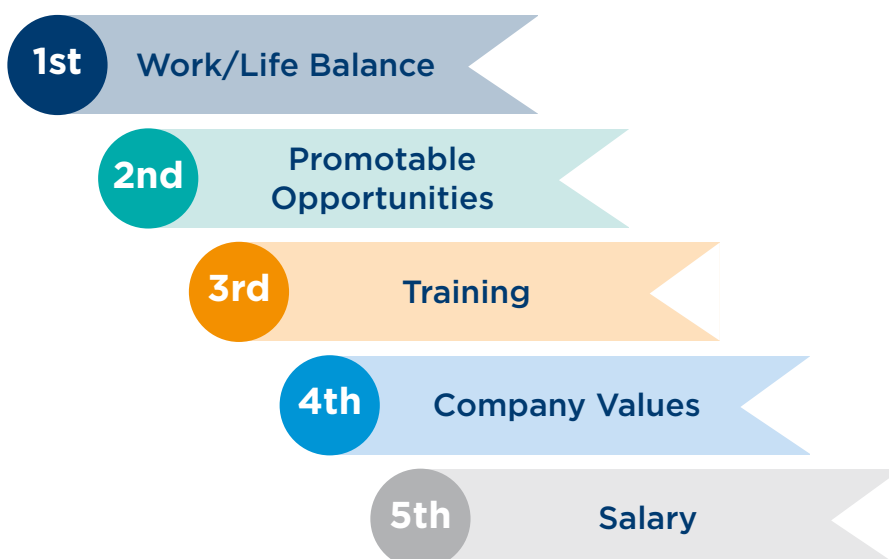
By 2020 Millennials will make up 50% of the global workforce.

## Meet the Y generation

By 2020, Gen Y, aka the Millennials, will make up 50% of the global workforce. They have been raised in a constantly-changing, incredibly-connected world.

Their access to study, leisure, food, entertainment is immediate and clearly transactional, online.

## WHAT DRIVES MILLENNIALS



### Fresh approaches

There are innovations in the interview process too.

For senior hires, a CEO of a food manufacturing business insists on meeting board level, customer-facing hires whilst doing a store check. He believes that candidates need to see and share his passion for his customers and the insights he gets this way.

He appreciates the value of escaping the conventions of a stale interview meeting room.

### Personal recommendations

One way of making sure that you compete for the top talent is to make them aware of the opportunities in your sector.

“Awareness is key”, reports the Working Options in Education careers education programme.

Their figures show the big difference: from the 43% of students who might consider a career in the food and grocery industry, this jumps to 73% after meeting professionals from the industry.

The lesson is clear, get out there and make some impact!

### CEO for a Day

Odgers Berndtson has its own initiative to inspire Millennials to become the next generation of business leaders.

Our ‘CEO for a Day’ programme is in its third year in the UK, giving students the opportunity to shadow one of 24 participating CEOs. Last year it included top figures at Sainsbury, Domino’s, ASOS, Williams F1, Mumsnet, DFS and Pets at Home.

For CEOs, it’s an excellent opportunity to connect with an undergraduate whose perspective is fresh, independent and often very direct. For the students, it’s an excellent opportunity to explore a career in business.

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### Should I stay or should I go?

Now all that fantastic talent is in your business, how well are you doing at making learning and assessment relevant, and keeping a new generation engaged for the long term?

### Reviewing the appraisal

The first thing to say is that old practices and beliefs are being challenged. Take the annual appraisal, for instance.

Lucy Adams, former BBC HR Director, has heralded its death, fundamentally questioning the effectiveness of this annual process. She describes a ritual where the official appraisal document, in the worst cases, is dusted off for the review and only sees the light of day in eleven months' time.

Instead, modern appraisals are happening more often and less formally, during conversations whilst walking, on car journeys, in the factory and store. Amazingly, people seem to like spending time with their boss. And it certainly avoids any end-of-year surprises.

### Learning about learning

When it comes to learning, commentators suggest that you can only absorb so much in a short time. Learning is best done in context. This challenges the validity of traditional (and highly expensive) MBA leadership development programmes at international universities.

Initiatives and advances such as context-specific learning and real time coaching, and even reverse mentoring where the least senior becomes the leader, are all delivering results.

### From working to gigging

It is clear that the relationship between employee and employer is undergoing profound and dynamic change. The rise of the gig economy and portfolio careers are just two aspects of this.

So, how are employers responding?

James Ryding, Head of Talent Acquisition at EasyJet has watched how the impact of the growing gig economy is influencing employees to think differently. Young people are increasingly selecting a job on the basis of 'how does it increase my portfolio of skills and make me more marketable?'

So, they are taking roles for shorter periods, with less focus on building a career with one organisation. The result is that companies are losing trained talent at just the time they are starting to add real value.

His response has been to direct the power of Talent Acquisition inwards. Increasingly, James and his team targeted filling roles with internal talent, being open about career growth and new opportunities, and internally 'headhunting' top

talent for key roles. It has to be handled carefully with key stakeholders who can be defensive over talent, but once the cycle begins, they find themselves gaining as well as losing top people.

Now the EasyJet business reflects the external market, with its own internal gig economy attuned to employees' aspirations, driven by the talent acquisition team.

The result? A more positive and engaged workforce, more than 30% of roles are filled with internal talent, and the talent pool becoming broader and deeper.

### Frequent flyers

For Alan Frewer (Director of Talent, Amazon), retaining talent is a huge consideration. Fittingly, for such a data-driven company, he used the power (and insights) of big data to address that pressing issue.

He did the initial work, building predictive models on 'flight risk', the likelihood of an employee leaving. This took in measurable factors: time spent in role, length of commute, frequency of previous moves, progression of salary and benefits, performance management and personal circumstances.

Building a model that helped Amazon understand those 'flight risks' boosted the effectiveness of their retention initiatives.

Examples like Easyjet and Amazon are great illustrations of developing and retaining talent at a time when employee/employer relationship are changing like never before.

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At EasyJet, more than 30% of roles are filled with internal talent.

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Understanding 'flight risks' for talent can boost the effectiveness of retention initiatives.



# Diverse approaches bring rich rewards

It's a simple equation. If all we do is hire and develop in the same way, there will clearly be an ever-shrinking talent pool. Surely, it's time to be more adventurous, and look beyond the obvious?

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Sometimes the talent you need is already in your business, but needs to be elevated in a different function.

## Talent transfer

Sport is one arena that provides inspiration. For, Dan Hunt, Performance Director at British Ski and Snowboard, it's called 'talent transfer potential'. He doesn't mean competing in the same event across different distances, within, say, cycling, running or rowing. He's thinking more broadly – more inclusively.

His current project includes transforming an elite netball player into a medal-winning Olympic Ski Jumper. Dan's rationale is that the athlete is 'tall, lean, very strong and has a powerful vertical jump'.

He dismisses the common objections to transferring talent – lack of knowledge, experience and skill. As he says: "We can train that in."

Dan cites the example of Rebecca Romero, the British athlete who won Silver in the Athens Olympics in the Quadruple Sculls in rowing. Then, four years later, she went on to strike Gold in cycling's Individual Pursuit.

## Military precision

A Northern-based food manufacturer is another example of thinking out of the box, so to speak.

They faced a substantial and complex right-sizing of manufacturing infrastructure. It included moving from five sites to three, shifting people, kit, and improving some of the Sales and Operational Planning process. All this had to be done without missing a beat on maintaining supply and customer service.

The project leader on this huge project had zero food manufacturing experience.

However, he was a Supply Chain and Logistics specialist who had relocated a 5,000-strong military base, from Afghanistan to Iraq. That involved moving critical medical facilities, power supply, people, accommodation, technology, sanitation, transportation, social assets, and communications in an unfamiliar and hostile environment. And he'd done it not once, but twice.

Needless to say, the UK move went well.

The moral of these stories is that sometimes the talent you need is already in your business, but needs to be elevated in a different function. And when you do look outside your organisation, is there an opportunity to be more adventurous?



### Getting engaged

A positive culture with strong engagement undoubtedly enables a business to attract and retain the best talent. Especially in a climate where business is facing some major reputational challenges in the eyes of potential recruits.

Scandals, suspected tax avoidance, zero prosecutions in the financial services community after the financial crash and an American president who boasts about not paying corporation tax have made headline news. All paint a cumulative picture of a crisis in corporate culture and values in the business community.

This comes at a time when Millennials believe leadership should be transparent. They value and look for openness, inclusion and diversity in the workplace. Clearly, there's job to be done to redress the balance of opinion and values.

So, who is doing great work improving engagement and building a culture of inclusion?

### Wholesome values

Graze, the healthy snack company, has listened to its people to find out what's really unique about their culture and what people

feel they need to be their best selves. They wanted to improve connections between people within the company, promote inclusion and make employees see that their voices are heard.

One of their tactics was to introduce bite-sized, lunchtime learning, short engagements on Mindfulness, Nutrition and Sleep, and topics like 'how to code' run by a mixture of internal and external experts. The effect? It's encouraging colleagues to talk, discuss and engage.

### Power transfer

Michelin's idea is a bit of a mouthful: Responsabilisation!

This actually translates into a profound mixture of empowerment and accountability. So, team leaders step back from issuing detailed orders or providing solutions to difficult problems. Instead, they act as coaches, or in the event of disagreement, referees.

Teams divide responsibility between themselves, evaluate their own performance and liaise with other autonomous teams. Quite a change from rigid, top-down control.

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*"If people who work for a business are proud of the business they work for, they'll work that much harder. Therefore, I think turning your business into a real force for good, is good business sense as well."*  
**Richard Branson**

### Less 'them and us'

The final case study comes from Matt Elliot, People Director at Virgin Money.

As he explains: "When we bought Northern Rock, the challenge was to move from 'them and us' to 'us and us'.

"Just as important as integrating the company was being welcoming to any newcomers. To encourage this we committed to matching the flexible working arrangements candidates may be enjoying, to ensure flexibility isn't a blocker to joining us.

"The business has worked hard to be inclusive, for example becoming a sponsor of 'Newcastle Pride', an annual event in the home-town of Northern Rock's largest call centre.

"There was an internal competition for tickets, won by a parent of a son who had just announced to his family he was gay. It came at just the right time for the family to publicly show their support. The family had an incredible weekend and our colleague wrote a moving account which was posted on the intranet. It was the 'most read' blog of the year.

"We aimed to do the right thing for our customers too of course. We removed products which contained 'cliff-edge' interest rates on expiration of term. The combination of doing the right thing for both colleagues and customers set the cultural tone, having a positive impact which rippled across the company. This has been built on subsequently, with the aim to be a business that provides a welcoming environment for all".

Matt saw the positive impact all of this had internally, the feel-good effect that rippled across employees and the way it changed the culture. It made the business a welcoming environment for all, through the power of allies.

## FOR MORE INFORMATION

We hope this paper has illustrated the importance of the effective management of your talent and its direct impact on the capability of your organisation to thrive.

If you would like to discuss any aspect of this subject further, please do not hesitate to get in touch. We would be happy to hear from you.



### **Nick Claridge**

Partner

Nick Claridge is the UK Partner leading on work with Food and Beverage manufacturers. His expertise includes Board-level general management, commercial,

marketing and manufacturing appointments.

His experience spans the full range of plc, private and PE owned businesses. Current trends include requirements for improved manufacturing and supply chain efficiency and infrastructure review, innovation and effective customer/commercial engagement. Leadership and Talent Management are specific areas of interest. Nick has a vast network of industry leaders amongst suppliers and retail customers and is a regular contributor at industry events such as The Leadership Symposium (<https://goo.gl/vHQRc>).

A graduate in App Soc Sc, specialising in criminology and deviancy, Nick attended university at Nottingham and spent an additional year in the US in the undergraduate School of Law Enforcement and Juvenile Justice at LSU.

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### **Áine Hurley**

Head, HR Practice

Áine Hurley is a senior member of the Board Practice in the London office, where she also leads the HR Practice. Her team is responsible for recruiting HR Directors as well as experts in

Talent, Recognition & Reward, Employee Relations, Organisation Effectiveness and Leadership Development.

The HR Practice works with a wide range of Fortune 500 and FTSE 350 clients, as well as private equity-backed and family-owned businesses. Sector coverage is broad and encompasses technology, retail, leisure, manufacturing, healthcare, travel, hospitality, business services, defence, construction, financial services, gaming, energy and consumer goods. Having moved into Executive Search in 1990, Áine's experience encompasses Main Board and Divisional Executive roles in HR, as well as non-executive appointments. An Irish national, she graduated with a first in Commerce and an MBS from University College Cork.

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### **Harriott Pinnock**

Associate Consultant

Harriott is an Associate in the Consumer Practice working with Food and Beverage manufacturers across Board-level general

management, commercial, marketing

and manufacturing appointments. Her focus is to develop extensive networks and subsequently delivering research for senior appointments in both the UK and multi-national businesses ranging from privately held and owner-driven, through to quoted companies and private equity-backed organisations. Harriott is also involved in the events programme which features industry leading speakers from the FMCG sector, which further enables the Practice to engage and track the best talent available in the market.

Before joining Odgers Berndtson, Harriott worked at a boutique search firm, placing individuals into Financial Services firms and into Management Consultancy clients, across sectors. Harriott graduated with a BA in Geography from Durham University.

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