



The Healthy Hydration Company™



Breaking the ice at Nestlé Waters

The challenge

When Jonathan Rennotte joined Nestlé Waters in 2006 as director of talent, performance and learning, he realised that if the company was to sustain its competitive edge it would have to fundamentally change aspects of its culture. The business had gone through a period of consolidation after several years of rapid acquisition-led growth, but its traditional hierarchical management style was serving it poorly when it came to meeting challenges such as fostering innovation and dealing with environmental concerns and the prospect of an economic downturn.

"We needed to address the way leaders interacted with other people in the organisation and how everyone went about their day-to-day work," explains Jonathan, who began working with Contact Consulting UK (Ltd) consultant, Graham Stickland, three years ago to analyse and then shift the management culture within Nestlé Waters. The Margerison-McCann Team Management Profile is playing a major role in helping them achieve a sea change in management approach.

The business

Nestlé's bottled water business had grown rapidly during the 1990s on the back of a string of acquisitions and, at the turn of the millennium, the company started to consolidate, modernise and standardise practices across its different businesses round the world.

"In practice, that meant lots of Nestlé technical experts in areas like quality, distribution, engineering, supply



chain and logistics would descend on a business to 'show them how to do it,'" explains Graham. "So the culture didn't change and the company was unable to really exploit the talent and capability of its people and to foster innovation – things that become essential in a challenging business climate."

The solution

Graham used the Team Management Profile to help him and Jonathan determine the strengths and shortcomings in the prevailing Nestlé Waters management style. "We found that managers fell overwhelmingly into the Thruster-Organiser, Concluder-Producer and Assessor-Developer part of the Wheel, with scarcely any representation in the Upholder-Maintainer, Reporter-Adviser and Controller-Inspector segments on the opposite side."

“We used the Team Management Profile as a way of opening the debate by getting people talking about their own management style.”

Jonathan continues: “It’s very much a manufacturing mentality: we need doers, because we have very thin profit margins and we live on operational efficiency. But we needed to balance that approach with preparing the ground, exploring wider options, researching what exists elsewhere, and so on. What’s more, there was little orientation towards forward thinking or long-term business planning. The Team Management Wheel showed us very starkly how poor we were as a company at doing some of these things.”

He knew he would never get the company’s 3,000 managers to sign up to a coaching course. “But there is always an intrinsic appeal for people in tools that allow them to find out more about themselves. So we used the Team Management Profile as a hook into what we wanted to achieve, which was to create a more democratic, egalitarian culture characterised by a listening and coaching rather than ‘telling’ approach.”

Graham and Jonathan developed the Essentials of Management (EoM) programme, which was designed to improve the quality and consistency of management throughout all Nestlé Waters businesses.

Graham explains: “Within it we used the Team Management Profile as a way of opening the debate by getting people talking about their own management style, and showing them how closely their own approach mirrored that of Nestlé Waters as a whole. From there it was a short hop to get them to understand the strengths and shortcomings of that style and to appreciate the value and contribution people with different skills can bring. That, in turn, encourages a shift towards more of a coaching mentality. So we are using Team Management Systems, in effect, to unfreeze the prevailing mindset.”

The result

Bringing the Team Management Profile alive by applying it to actual situations is often a revelation to teams,” says Contact Consulting UK (Ltd) consultant, Helen Hinds. “On one EoM course I delivered, Steve Bendix, global head of manufacturing for Nestlé Waters, provided a great example of how the Team Management Profile could have helped in a particular project he had been involved with. He felt the team had, in classic Thruster-Organiser fashion, rushed to innovate a product, throwing money and people at it, despite the fact that, even at its most successful, it could only ever have made a negligible contribution to overall profits. More Reporter-Adviser research up front might have flagged up that that level of potential profit did not justify the level of financial and human resource they were investing in it. It turned out to be an unnecessary distraction from the core business, which might have been avoided with a more balanced team.”

Around ten per cent of Nestlé Waters’ 3,000 managers have now gone through the EoM programme and, says Jonathan, “The message has clearly stuck.” He explains: “They see the projects they need to tackle through the prism of the Wheel, and they keep coming back to it in discussions.”

It is just as well, because the EoM programme, and the Team Management Profile within it, is the foundation on which the sea change in manufacturing approach that Nestlé Group as a whole is seeking, will be built.

“They are part of the forming DNA of the new organisation, and therefore, hugely valuable,” Jonathan concludes.