

HANSEN – A Worldwide Human Element Application

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Building on a Masters Degree in general Management, Karin Zastrow has been working with every angle of training and human resource development: consulting, education, leadership development and team development facilitation.

As the Human Resource Development Manager with Chr. Hansen A/S from 1997 through 2002, she was responsible for the company's corporate university activities. Since November 2002, Karin's company, ZASTROW & Co. ApS, has been Danish distributor for the Human Element®, as well as world wide distributor of Karin's own concept – Direct Leadership®

In February 1998 I was appointed Head of Human Resources Development at HANSEN (Christian Hansen A/S), a Danish owned international food ingredients producer with 2,500 employees spread across the globe. At the time one third of our employees were located in Denmark, another third in the USA and one third was spread across smaller subsidiaries in 20 countries in Europe, the Americas and South East Asia. From my predecessor and our top management, I took over a long list of wishes as to which kinds of training and attitudinal changes should be accomplished.

The company history had been one of 100 years of slow but steady organic growth and expansion mainly in the dairy industry. The main products were rennet for cheese production, and lactic acid bacteria for yoghurt and other fermented milk products. On a global scale the company is not big and certainly not known by the average consumer. However it is estimated that every day about one tenth of the people of the world eats something containing an ingredient produced by HANSEN. The organization culture was generally viewed as friendly and fair. Everywhere in the world the local HANSEN Company was known as a good place to work.

Some 5 years before I joined the company, several changes began to happen: a lack of innovation caused the organic growth to stagnate and the global food market changed its face into ever bigger conglomerates. In order to match these, the company launched an aggressive acquisition strategy causing the number of employees to

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grow in big leaps and to double within a five year period. To accomplish this, the organization structure had been changed dramatically.

Where every subsidiary used to have almost complete independence, now cooperation across company and country boundaries was requested. This brought about a need for professional leadership, efficient communication skills and cross cultural understanding. Until this point, training budgets at HANSEN had always been kept at a minimum except for one program, just before my appointment, which was presented to a limited number of managers and key people. However with the launch of this program, expectations of positive changes in HANSEN's training policy were high. This was the stage I entered.

In order to make these changes happen, top management had put the company values to words and my job was to implement these values through training and other human resource management technologies.

The 5 values of the HANSEN companies (translated from Danish):

- *Cooperation*
(Actually a Danish word: *Fællesskab* meaning, more precisely, we are a community/we shoulder challenges together!)
- *Communication*
- *Responsibility*
- *Innovation*
- *Results focused*

I had about half my own working time and that of my staff of (2 other human resource professionals) to make things happen.

So, between the rock of a very ambitious task and the hard place of few resources, the three of us started to think very hard about the best approach to bring the desired change about.

Initially we wanted a 3-fold approach:

- a 2 week training program on international strategic business development for the approximately 50 senior managers who had responsibility for managing a particular country or managing cross-organizational strategic responsibilities

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- training on general basic team management and communications skills to every manager with two or more reports including the above (450 people)
- some kind of training on the same teamwork and communication skills to 90 percent of the remaining 2,100 employees.

I knew that several of the top executives had suggested the launching of a cross-cultural awareness program. They wanted this because of past experiences with misunderstandings and disputes across national and cultural boundaries. However, since I had experience with this type of training I was concerned. Unless given great attention this training can actually deepen the gaps between people. I was of the conviction that we should instead focus on skills that could bridge our cultural differences. I presented the above proposal to the Board of Directors including a budget. Needless to say, with the conservative company tradition around investing in training described above, our proposal was rejected as too expensive. I was sent back to cut back and recalculate so many times that both they and I were getting frustrated and impatient.

Eventually, however, we were aided by two things.

The first was that we had just completed an employee satisfaction survey in which one single trait stood out from every corner of the entire organization, i.e. that a substantial percentage of our employees found their bosses wanting in people management skills, particularly conflict resolution skills.

Secondly I paid a visit to a newly appointed Human Resource Manager in Brazil. The aim of my visit was to introduce him to the company values, the employee satisfaction survey, a tool for strategy deployment and competence development I had launched, and also to the content of the training completed up until then. When I left Denmark all I knew of him was that he was very qualified, that he had previously worked with Rank Xerox in Brazil, and that his English was not so good.

It turned out that all of this was true. As we worked our way through my presentation – strongly aided by an English-Portuguese dictionary – Luiz (Luiz Claudio Diniz) immediately saw what I could not see at the time. There was a striking match between what our management had laid down in the 5 company values and an

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approach to organizations called O Elemento Humano (the Human Element®) that Luiz apparently had used in Xerox and wanted to use with the local management team in Brazil. When he tried to explain to me what this was about, I was able to understand that it was some kind of philosophy concerned with telling the truth in organizations.

When I left my short visit to Luiz and Brazil, I had with me a copy of Will Schutz's book *The Human Element – Productivity, Self-Esteem and the Bottom Line*. I was curious to find out why Luiz had been so passionate about it and started reading it the next day. After 10 pages I began to suspect I had struck gold, and by the time I finished the first chapter, I had decided that I wanted to meet the man who had written this book. I was very much attracted to the approach to developing human interaction that I met in the pages of the book. I also felt that the concept could teach our people the foundation on which successful implementation of the company values would depend.

Back in Denmark I did two things: I found Will's phone number and called him and I gave the book to each of my employees. Very quickly we agreed that with this material we might be able to accomplish the changes on our wish list.

From then on we changed mode of operation. At the same time as I was preparing my various proposals and budgets for the Board of Directors, I decided that my own training budget would train the three of us to become Human Element trainers.

Timewise my first meeting with Luiz took place in November 1998. In February 1999, I was back in Brazil to participate in a 5 day Human Element workshop, along with Ane Araujo, the Brazilian agent for the Human Element, Luiz Claudio and the management team of HANSEN, Brazil. I also had a couple of phone conversations with Will and Ailish Schutz. I met with some representatives of the Swedish Human Element network. In March 1999, I traveled to Sweden to meet Will Schutz and Gary Copeland, a senior Human Element trainer. Will and Gary were running a Human Element Advanced Training® program there. In May 1999, both of my people undertook the Human Element training in California. One went back a month later for the Advanced Training and later to Sweden for an introduction to *Beyond Conflict*, a 3 day conflict management program based on Human Element principles and skills. I did the Human Element Advanced Training in October 1999.

During the early summer of 1999, we received the third helping hand in the

process of getting to introduce the Human Element at HANSEN. At this point, while the Board of Directors was still hesitant to provide the budget for the 3-fold approach, one executive from within the company asked for our help to create better teamwork in his area. When asked to wait for a corporate management decision targeted exactly at such a program, this executive told us that he would rather not wait. Whether or not it became a corporate program, he wanted it for the 700 people worldwide that he was in charge of. He set aside the necessary budget for the training to be developed and implemented in his part of the organization. This made it possible for us to develop the two programs and get ourselves trained so that when the corporate decision eventually came in August 2000 we were able 'go live' within only a few months.

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The Board decision included two of the original proposals:

- A five-day program for managers including all the basic elements of a standard 5 day Human Element program plus some elements from Beyond Conflict designed in close cooperation with BCon WSA (at the time WSA). This program was launched as the Good Leadership Program.
- A 2 day program for all non-managerial staff, designed by ourselves, teaching basic Human Element concepts – Truth, Choice, and the dimensions of Behavior – Inclusion, Control, Openness, the mechanisms of psychological defenses. We included training in open dialogue by, among other things, giving feedback on behavior. These two days were called Good Employeehip Program.

All participants on these programs were encouraged to take part as work teams. This enabled the dialogue training to take place among close colleagues and thus allow the teams together to stretch with respect to mutual openness and to achieve a common language to handle the important relationship matters of teamwork. This approach caused many managers and employees to remember the training later as mainly a teambuilding activity.

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The first of the 5 day programs took place in December 2000 and was followed by approximately one such training per month somewhere in the world during all of 2001. By the end of 2001 some 350 managers had completed the program. Another 100 were trained during the first half of 2002.

The first 2 day Good Employeeship program began in March 2001. This was followed by, on average, one such program per week, initially in the Danish organization, and continued for the remainder of that year.

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At first top management was reluctant to enlist for the training. However, this only lasted until the first groups of participants came back all fired up. Then the first senior manager came around and after that the rumor of this being 'a must' swept across the European sector of the company. Ironically, the only part of the organization we never quite reached was the North American organization, where the training started and

was discontinued, due to cost reductions and one top executive.

Finally a number of follow-up sessions have been run and are still as this paper is being written. I have exchanged my job as a HANSEN employee for the role of Agent for the Human Element in Denmark. The follow-ups are either Team Compatibility sessions for managerial teams who weren't working together when they did the 5 day training; 2 day programs for newcomers to the organization or 2 day programs for geographical groups, which for some reason had not taken part in the original training. For example, in November 2002 I went to Kuala Lumpur for a 2 day training with participants from Malaysia, China and Japan, a region that had, since 2001, grown large enough in numbers of employees to justify such training.

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The short term results were stunning. In numbers – our evaluation forms told us that between 90 and 98 percent of the participants on both programs found this training good or outstanding! In terms of qualitative feedback – I have numerous positive e-mails, telling me 6, 12, and 18 months later that the positive change in work relations brought about by the training has become a lasting foundation for effective interaction

among group members, even today.

The long term results fall into several categories:

The entire organization has acquired a common understanding of what matters in work relationships and how to pay attention to each other's preferences and to practice 'green communication'. (In the Christmas Cabaret of 2001 the Human Resource Department was lovingly portrayed as a group of people sitting in a circle humming green communication as if it were a mantra.)

When recently the company undertook some organizational changes which were strongly resented by many of the employees and caused some people to resign, one regional sales manager wrote to me that he was convinced that this training and the skills acquired had prevented the company from losing even more people.

Of the managerial teams who have done a Team Compatibility session, those who came to the activity with some conflicting relationships have improved remarkably and the improvement is sustainable. The leader of one group who did this session exactly a year ago, with relationships between several people in a very, very bad shape, just recently wrote the following:

'The management team has never been in better condition than today. The quality of our dialogue has greatly improved and with that, our ability to handle all the little daily problems. Of course, we are not completely changed as individuals. Those who are afraid of confrontations still have this tendency. The same applies to the hotheads. But everyone is more open and tolerant of the differences. Consequently we have become a much more united team as well as each other's network on a day to day basis. And our employees no longer have the experience that 'mom' and 'dad' are in disagreement – what a great feeling!'

Wrapping all of this up – the saying 'timing is everything' also to some extent applies to the HANSEN case. The Human Element was introduced to HANSEN at a time, when the need for a better understanding of human psychology was evident.

However, on top of this I believe 3 things were important to the success of this vast training effort:

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- 1 The sharpness and richness of the Human Element as a theory and a training program is convincing to even the most hard core sceptic suspecting that he or she is about to waste 5 days listening to the mumbo-jumbo of some psychotherapist.
- 2 HANSEN's size in terms of employees meant we were able to reach nearly all managers in a fairly short time frame. This created a common language to overcome the many obstacles to smooth cooperation that exist when more than 20 cultural groups must work together as one company.
- 3 Participation in work teams eliminated the common need to transfer what one has learned from the training room to each individual's daily working life. In fact it reinforced the learning because the things that one person forgot were remembered and reinforced by the next person.