



A Case Study - Fonterra Brands Change Initiatives

WHO

Fonterra is a New Zealand based multinational company and the world's largest exporter of dairy products.

Fonterra's vision is To Lead in Dairy and its products are among the best-known dairy brands in the world. Fonterra's supply chain stretches from dairy farms in New Zealand to the retail outlets of 140 markets worldwide, ensuring its products maintain the goodness and quality that New Zealand is renowned for. An innovation process that develops unique and leading products that offer nutritional benefits to consumers of all generations supports its worldwide supply chain.

Locally, Fonterra Brands (Malaysia), a consumer dairy business, is a market leader in the retail dairy sector. Formerly known as New Zealand Milk Malaysia, it produces, distributes and markets a wide range of leading dairy products from ready-to-drink milks, milk powders, cultured milk drinks through to yoghurts, cheeses and butters. Its flagship consumer brands are ANMUM™, FERNLEAF™, ANLENE™ and CHESDALE™.

To find out more about Fonterra Brands Malaysia, you may visit <http://www.fonterra.my/>

WHAT

Dairymas (Malaysia) Sdn Bhd, a member of Fonterra Brands (Malaysia), which run a state-of-the-art cultured-food production plant at Shah Alam, Selangor Malaysia that, produced household brands such as Solivite, CalciYum etc. The chilled business is 20% of the total Fonterra Malaysia business with a dedicated sales, marketing and channel distribution teams.

Fonterra Brands venture into cultured products is another foresight of the very forward-looking dairy market leader in the ever-growing yogurt category in Malaysia. With all signs of market growth and record earnings, the investment is poised to capitalize on the fast growing cultured dairy category in Malaysia using dairy ingredients directly from New Zealand Milk.

Ms. Chin Lee Foon – The commercial director of Dairymas foresee the need to prepare the people and business for the growth, ask these questions late last year:

“ Now we have the hardware (plant), do we have the people to execute the business plan?”



“ With our existing team, do we have the correct mindset to ride the ever challenging market demand and surely becoming the number one cultured-milk market leader in the country?”

The two questions prompted Lee Foon to discuss her concerns with the Human Resources Director Tan Suan Tin and HRD manager Queenie Low. Sometime around early December 2009, they decided to contact ConversationCircles for consultation and through emails and two rounds of tele-conference calls; they have decided to commission a change initiative with three objectives:

1. Instill a “Sense of Urgency” to change the way they work in a culture product environment.
2. Quality product – Making it ‘first time right’.
3. Value-added services – How by adding value to the work they produced help improved business margins.

Through the in-depth understanding of the challenges Dairymas faced, and using a trusting consultation processes to identify information beyond the surface data, ConversationCircles managed to gather enough information to draft a program customized to their needs.

The program was titled: STOP – Together Our Iceberg Will Stay Chilled.

HOW

ConversationCircles recommended three segments for this Change Initiation.

1. The first was to identify the existing “Sense of Urgency” within the existing team. A ‘sense of urgency’ assessment was sent to all 30 executives 6 weeks prior to the off-site workshop with the report being sent back to me anonymously. A “sense of urgency” report was generated 2 weeks before the event.
2. We then follow-up with a one-day workshop that brings the 30 senior executives together for an off-site event that includes experiential learning activities, educational video discussion and group conversational circles actual case study.
3. A post-event debrief to identify what needs to happen moving the organization forward.



At the end of the workshop, I received positive feedback and responses from the delegates. Lee Foon emailed me on the 2nd Feb and complimented:

*“The workshop has met our expectation and we understand the time constraint with a larger group. We had a meeting yesterday with operations, and we started using 'are u ready' for our promotion in terms supply etc, it was a lot more alignment I must said than before. Thanks for being so dedicated and the last 2 emails said a lot about your concern over us in this journey of change.
Thanks.”*

Do feel free to contact me or drop me an email if you have further inquires about the program. ConversationCircles would like to hear from you with regards to Change Initiatives in your organization. Email me at allen@conversationcircles.sg or speak to me at +65 9655 9409.