

Catalysing Leadership in a Digital World

2021 Excellence in Practice AWARDS SILVER



Contents

4,000 words



Executive Summary

Food, agriculture and industrial giant, **Cargill**, needed to transform itself in response to the challenges and opportunities of an ever-more complex and dynamic world.

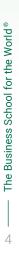
In 2017 **Cargill** asked global business school, **INSEAD**, to co-design and deliver "**Catalyst**". This vast programme of blended **digital and face-to-face** learning – in parallel with **live projects** – targeted the company's top 1,700 leaders and covered:

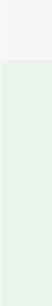
- Changing leadership mindsets for a turbulent world
- Strategies for digital disruption
- New techniques for **innovation**
- Aligning **culture**, strategy and innovation.

Three years later – in the midst of a global pandemic – **Cargill** has fared remarkably well, generating revenue 1% over the previous year. An external impact auditor estimated that 97% of participants were practising "new and innovative behaviours" as a result of Catalyst. Key success factors included:

- Systematic **impact mapping** to design the content
- Executive sponsors, part-learners, part-mentors, to validate content internally and create two-way communication between leadership levels
- Smart use of **digital learning** to maximise time flexibility and parallel implementation of learning.
- Scale and simultaneity of rollout creating a new common language for Cargill.









The Partners



Cargill works across many different markets and industries to help the world thrive.

With a team of 155,000 professionals in 70 countries, **Cargill** draws together the worlds of food, agriculture, nutrition and risk management. For more than 155 years, the company has helped farmers to grow more, connecting them to broader markets. Its products also meet the needs of consumers, and advance nutrition, food safety and sustainability. Today, **Cargill** is the largest privately held corporation in the United States in terms of revenue (*\$114.6 billion in 2020*).

INSEAD brings together people, cultures and ideas to transform business and society.

INSEAD is the most international of the world's great business schools. With locations in Europe (*France*), Asia (*Singapore*), the Middle East (*Abu Dhabi*) and North America (*San Francisco*), alliances with top institutions worldwide and intelligent use of digital learning, the school's teaching and research spans the globe. The 168 great minds on the resident faculty inspire some 1,300 Master's and PhD students, in addition to 11,000 practising managers a year through Executive Education.





The Challenge



The Challenge

Cargill has a proud 155-year history as a giant of global business, but in 2017 the senior leadership team recognised that the company faced significant challenges:

- The competitive landscape was changing rapidly with many new players emerging and innovating
- Consumer trends and supplier demands were rapidly evolving
- Social issues and business issues were converging
- New generations of employees were seeking a different experience of work.

However, change and disruption was bringing new opportunities for growth, as well as greater customer and staff satisfaction. From healthier salmon farming and vegan "meat" to sustainable cocoa and digitised supply chains – there was huge potential just waiting to be seized.

The challenges and opportunities added up to a need to transform on a vast scale and at high speed. Mindsets needed to change as well as products and processes. As Dianne Russo, Global Lead, Executive and Leadership Development puts it, "We needed a way to reach our top 1,700 leaders quickly and as a community of global leaders."





Dianne Russo Global Lead, Executive and Leadership Development Cargill



The company's senior executives identified two interconnected objectives to address both the challenges and the opportunities.

External focus

Cargill leaders needed to get up to speed with the pace of change in today's dynamic and complex business world, particularly changing consumer trends and digital disruption.



Internal focus

Leadership capabilities and internal structures had to be able to meet the external challenges. Leaders needed to develop an outside-in perspective, an innovation mindset, strategic agility and willingness to take risks.

The implications for learning and development were clear. Julie Dervin, Head of Global Learning and Development, recalls: "We were asked to radically reimagine our leadership development. It wasn't that our previous programmes had gotten it wrong. It was just that we needed something in addition to strong personal leadership skills if we were to accelerate up to the waterline."

In short, there was a need for a fast-acting **catalyst** in the form of leadership development aligned to organisational goals. More than a programme, it was a **call to action**.



Julie Dervin Head of Global Learning and Development Cargill





The Business School for the World⁴

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Cargill Helping the world thrive



The Commitment

The **Cargill** Learning and Development team approached a number of big-name business schools, along with their previous providers.

INSEAD initially stood out for its **international perspective**. "We needed a global partner not just to understand the nature of our global challenge but also for credibility among our global leaders," says Dervin.

Crucially, Dervin identified that in order to scale up leadership transformation at high speed, learning had to move from a traditional to a **digital approach** – effectively modelling the kind of change that was required throughout the business:

"We needed a partner who was willing to innovate and experiment with us and we discovered that INSEAD was on the same journey. The other top schools insisted that senior leaders could not adapt to learning in digital experiences." She also selected a previous provider, Korn Ferry, to ensure continuity in personal leadership development and in August 2017 organised a three-day design workshop for the new team in the basement of **Cargill's** Minneapolis HQ. James Costantini, Affiliate Professor of Strategy at **INSEAD** remembers the experience well:

"We were twelve people from three organisations sitting around a table and surrounded by white boards. At the same time as getting to know each other, we were trying to design a hugely ambitious executive programme."



James Costantini Affiliate Professor of Strategy INSEAD

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Costantini identifies two big take-aways from the session:

- If 1,700 individual leaders take a small step in the same direction, the centre of gravity of the whole organisation will shift. Furthermore, if they take a larger step, a tipping point is reached and **individual change becomes organisational transformation**.
- Business impact can be mapped systematically onto learning experiences. Julie Dervin insisted on an effective tool called **impact maps**. For each of the key themes the team identified, "external perspective", "strategic agility", "corporate culture" and "innovation mindset", they created a blank table. Next, working from right to left, the team moved from each desired organisational outcome to define one or more learning objectives (see below).

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Learning objective

Define and explore different types of innovation - platforms, ecosystems, hybrids § why companies struggle with them On-the-job behaviour

Leaders practise and model innovation behaviour with their teams

Key result to achieve

Strategies are formulated using Innovation as key component

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Organisational outcome

Cargíll stríves to become a dísruptor in the market before being dísrupted

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By the time they emerged from the basement into the August sunshine, the team had four preliminary impact maps that would be finalised to support and align the final programme design (*see right*).

However, before the team could complete programme design, they had to get buy-in from the business. "We interviewed everyone in the executive team, including the CEO," recalls Costantini. "I think around 100 other people must have given us feedback. I don't think I've been involved in a programme where so many people were consulted on the design."

The ambitious goal was to roll out the programmes – cascading learning from the top downwards from early in 2018 and continuing through the ranks for almost three years. Budgets were generous but had to stretch to cover some 1,700 executives. And, all the while, the clock was ticking. The world was also becoming ever-more turbulent and technology was continuing its disruptive march.

At least there was a ready-made name. From now on, the programme would be referred to as **Cargill**'s **"Catalyst**".

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Recognize what constitutes disruption & need for integrated strategic responses	Stop Benavion	Key Results to Anti-	
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The Initiative

Back in France, James Costantini started filling in the approved impact maps and enlisting colleagues to **Catalyst**.

Among others, he brought in: Associate Professor of Strategy, Nathan Furr, to teach his bestselling "Innovators' Method"; INSEAD MBA Graduate and Adjunct Professor of Entrepreneurship Antoine Duvauchelle, who had created the innovative LiveCase teaching methodology and digital platform for delivering interactive multi-media rich case studies, effectively "a flight simulator for education"; and Deputy Dean, Peter Zemsky, who was leading the school's advances in digital delivery.

Crucially, Costantini also recruited Associate Professor of Organisational Behaviour, Spencer Harrison, a leading expert on **corporate culture**, and Professor of Entrepreneurship, Martin Gargiulo, a specialist in the **dynamics of informal networks**. Their research reveals not only how to lead culture change but also how to work with an existing organisational culture to get results. The **INSEAD** team was completed by corporate partnership expert, Mary Carey, who had been present in the basement in Minneapolis. "By now, James and I were living and breathing Cargill!"she recalls.

Meanwhile in the US, Korn Ferry developed face-to-face personal leadership content that would build on existing best practices and enhance the new, entrepreneurial mindset that **INSEAD** was planning to cultivate.

In Minneapolis, Dervin and Russo, were working on turning the concept of **executive sponsors** into a reality. The essence of this idea, developed in the initial workshop, was for each cohort to be accompanied throughout their learning by a pair of more senior leaders. Part participant, part mentor, each sponsor would play two essential roles:

- Validating the importance and relevance of the concepts as they linked participant discussions to **Cargill** issues throughout the programme
- Acting as a transparent communication channel from the programme participants directly to **Cargill**'s executive team and vice versa.



Mary Carey Regional Director | The Americas INSEAD Executive Education





The first three cohorts would each be "sponsored" by two members of the executive team, while subsequent cohorts would have a mix of executive team and Catalyst alumni sponsors. The sponsors would actively participate in all sessions and act as "coaches" for the **Application Challenges**: real-life strategies each leader was already accountable for, where they would apply learning from **Catalyst**.

3

days FT

The blended programme delivered to the first 40 participants was structured as follows, with short full-time face-to-face modules (*to minimise time out of the office*) and longer part-time digital modules (*to cement learning in parallel with doing*).

3

days FT

Experience 1 Cargill Campus

Embracing a New Leadership Mindset for a New World

Learning objectives:

- Explain extent of turbulence and implications for Cargill's strategic agility and leadership
- Identify new requirements for Cargill's leaders
- Understand the leader's role with respect to Cargill's key capabilities (using Sponsors as teachers)
- Explain how an outside-in perspective can create breakthrough thinking

Learning Methods:

- Traditional learning in classroom and break-out groups
- Face-to-face personal-leadership development with Korn Ferry
- LiveCase experience with role plays in groups

Shaping and Leading Strategy in Digital Disruption

10

weeks PT

Learning objectives:

Experience 2

Online

- Recognise what constitutes your disruption and your strategic response
- Apply strategic principles of willingness to pay, value creation and value capture
- Illustrate Cargill's competitive advantages for value capture in the new environment
- Rethink strategy process to achieve agility
- Understand how to balance strategic agility with long-term stability

Learning Methods:

- "Traditional" lectures cut into short videos for watching at own pace
- Fully digital Quizzes, online discussions and interactive exercises
- Semi-synchronous learning with shared deadlines for submissions and peer feedback
- Identification and development of own strategy-based Application Challenge

Activating the Organisation

INSEAD Campus

Experience 3

Learning objectives:

- Explain the implications of Cargill's diverse, integrated operating model
- Analyse your network and how to use your social capital to get things done
 Recognise the dynamics influencing
- culture change
- Determine leadership strategies to drive change
- Identify ways to connect and inspire people and increase their contribution and performance

Learning Methods:

 As for Experience 1 (but for final 6 cohorts entirely delivered by INSEAD)

Cultivating Culture as "Chief Innovator"

Learning objectives:

Experience 4

Online

 Explore different types of innovation and reasons for struggling with them

10

weeks PT

- Practise behaviours to cultivate innovation: questioning, observing, experimenting, networking
- Identify insights to create and test appropriate solutions
- Formulate strategies to encourage risktaking and measure innovation
- Identify how to set direction, define vision, motivate others

Learning Methods:

 As for Experience 2, plus development of a new innovation-based Application Challenge



With ongoing tweaks, the same programme was delivered to two further cohorts of 40 participants during 2018. This **Deployment 1** consisted of **the 120 most senior leaders** in **Cargill**, with members of the Executive Team acting as sponsors. The sponsors from these first cohorts brought back to the full Executive Team, what was happening in **Catalyst** – effectively "cascading up" the new learning. In order to further strengthen the element of learning from peers, each cohort was carefully composed to be cross-geography, cross-function and cross-enterprise.

The next step was to cascade **Catalyst** to **Deployment 2: the next most senior 240 leaders**. This was a near-identical programme, with two sponsors from Deployment 1 per cohort. Two cohorts of 40 completed the Experiences in the first year, with four more following in 2019 and 2020.

The standout discovery at this point was that digital learning really does work for senior leaders, who particularly appreciate the combination of **flexibility** (*working at their own pace*) with **discipline** (*shared intermediate deadlines*). Xavier Vargas, Group Leader of Protein & Salt, summed up the general feeling:

"I thought it would be boring and complicated and I wouldn't be motivated to follow up and do the work. But I've actually enjoyed the online experience even more than the in-person experience so far. The content is really good; it's interactive, and the short videos are so much better than long classes."

The Catalyst learning journey is designed to...

- ... uncover leading edge concepts and thinking
- ... advance our Game Plan for Success
- ... address the new type of leadership needed
- ... grow our leadership pipeline faster



This positive response to digital learning fed into the design of **Deployment 3** for **the next 1,300 or so most senior managers** – to begin rolling out in 2019 concurrently with Deployment 2 learners. It was not financially feasible to simply repeat the same four Experiences. Nor were the learning objectives quite the same. The focus was to be more "hands-on" innovation, with strategy and culture remaining but scaled back to become context. Eventually the bold decision was taken to do an **entirely digital programme** with just three Experiences – reducing the **required** investment **by 80%** per learner. This time, each cohort would consist of 350–400 learners (*divided into groups of 50 for a more personal learning experience*) and 8 sponsors (*2 per group*). The sponsors, all graduates of Deployment 2, interacted regularly with their groups on scheduled calls.

Experience 1 6 Online veeks PT	Experience 2 Online	Experience 3 Online
Unlocking Cargill's Full Potential	Innovate What Matters	Markets and Margins
 Learning objectives: Explain extent of external turbulence and implications for Cargill's strategic agility and leadership Identify new requirements for leadership agility and accountability Describe your leadership role and current performance in supporting results within Cargill's diversified, integrated operating model Explore how to balance your roles as ambassador for corporate strategy and driver of business results Analyse your network and how to use your social capital to get things done Learning Methods: Recorded lectures cut into in miniepisodes 	 Learning objectives: Explore different types of innovation and reasons for struggling with them Practise behaviours to cultivate innovation: questioning, observing, experimenting, networking Generate insights to create and test appropriate solutions Identify how to set direction and define vision for innovation and motivating others - become a "Chief Experimenter" Learning Methods: As for Experience 1 plus: Formulation of Application Challenge with feedback from peers and sponsors 	 Learning objectives: Explore how to shape and align organisational culture Determine leadership strategies to drive and lead change, as well as to inspire increased contribution and performance Explain the connection of strategic principles like willingness-to-pay and value creation/capture to the dynamics of disruption Rethink the strategy process to achieve strategic agility Set personal learning agendas to carry your Catalyst learning into your work Learning Methods: As for Experience 2, without an Application Challenge, and with the addition of:
Quizzes, games and interactive exercises Semi-synchronous learning with tasks to be completed by shared deadlines		- 3-week digital Live Case



Reengineering most of the content for digital delivery proved straightforward: some additional videos had to be recorded and new exercises devised. The main challenge lay in reworking the highly appreciated LiveCase that prior deployments had completed face-to-face. Antoine Duvauchelle went back to the drawing board: "We had to rewrite the 'story' and recode our entire platform so that it worked for small groups ('taskforces') scattered across different time zones while retaining the spirit of the experience." After nearly giving up several times, the team created a scenario and innovative, interactive storytelling journey that worked asynchronously. Duvauchelle believes it to be a "world's first". Like the original, it gets rave reviews from participants.

However Julie Dervin and Dianne Russo were not satisfied with only participant feedback – no matter how good – as a measure of impact. They decided to bring in an external impact auditor, the Brinkerhoff Evaluation Institute, to do a full qualitative and quantitative analysis. As 2020, drew to a close, the **Catalyst** team awaited the results with nervous confidence...



Cata·a·lyst /'kad(ə)lest/

A person or thing that causes an event to move quickly; increases the rate of change.





The impact

The first surprise for Brinkerhoff was the remarkably high number of responses from participants.

Of the 910 participants contacted, nearly 60% completed the survey. Even more impressive, 74% of survey respondents volunteered written descriptions of Catalyst-related actions and their impact, and 51% volunteered for the gualitative interviews.

The second surprise was the effectiveness of the fully-digital version of Catalyst. The external evaluators found benefits in terms of cost, scale and speed – and no decrease in learning

Based on both quantitative analysis and subsequent interviews, the Brinkerhoff report concluded: "Catalyst strongly impacts new and innovative behaviours at an exceptionally high rate." Some 97% of respondents had taken new actions and 80% had already observed beneficial results.

Even more striking, over 70% had observed significant change in other Cargill leaders' behaviour. Concrete examples of behaviour changes included:

- Launching new go-to-market strategies in innovative "proof-of-concept" ways
- Using digitisation to increase operational efficiency and effectiveness
- Leading projects faster through experimentation and fast prototyping
- Breaking down silos to reach out to other Cargill leaders for cross enterprise collaboration.

Above all, concluded the report, Catalyst - with its vast scale and topfirst roll-out had created a "common language" to support a new and leadership culture "across all roles, enterprises and functions", including "increased comfort for risk-taking and innovation" and "increased support an openness to innovations and experiments by senior leaders".

To translate the conclusions into that common language, today Cargill is moving less like a large, unwieldy "big boat" and more like a fleet of fastmoving "small boats". And the small boats are crewed by "blue thinkers", innovators who are also capable of analytical "red thinking" - when required.



Blue thinkers and small boats: Catalyst Impact Case Studies*

2 major new customers

"Amy" was looking for ways to grow her business, which produces, distributes and markets meat and egg products to retail, foodservice and food manufacturers. Whenever customers wanted full "meal solutions" (e.g. pre-packed meals), **Cargill** would work with a "cooking supplier". Amy knew that these suppliers were a ready-made route to finding new customers for **Cargill**. But she also knew that strategic partnerships involved a lot of internal red tape.

During **Catalyst**, Amy took a step back. She leveraged "blue thinking" and the idea of a "minimal viable" product – a pilot project sealed with a "handshake agreement" – to trial the partnership idea without the usual administrative burden. Within a week she was talking to two major restaurant chains that **Cargill** had never worked with before.

Once the pilot was successful, she worked with her supplier to develop a formal written agreement and secured further business with the two new customers. She is now working on expanding the model to additional suppliers and yet more new customers of the same calibre.

Just a few examples from the qualitative interviews conducted by the Brinkerhoff Evaluation Institute – anonymised as part of their standard procedure



20



\$10 million of new business

"Brad", a manager in **Cargill'**s sweetener business, believed he could attract more small-to-medium-sized customers by creating blended products, rather than supplying only individual ingredients. However, he was daunted by the investment of internal time, money and manpower that would be required to launch the new line.

Catalyst inspired him to innovate, applying the "minimal viable product" technique. Instead of building internal capability, he found an agile external partner to mix the ingredients for optimal taste. Working with the partner, Brad's team conducted 20 customer trials, 7 of which appeared promising. They then took the most promising and built a solution in just a few weeks (a process that would usually take at least 3 or 4 months).

By experimenting in a low-risk environment, then scaling up and rapidly expanding, Brad has achieved a completely new approach. Based on current estimates, it will contribute \$10 million in new revenue over the next few years.





Return on R&D investment up from 9% to over 20%

"Chen's" R&D team was creative but wasted time by failing to understand the needs of the customer. He knew he had to make them more efficient and market-focused but how?

Through **Catalyst**, Chen developed new language, methods and tools to motivate his team. First, he launched a series of "high-performance innovation" initiatives to eliminate low-value work, standardise core activities and redirect staff to high-growth projects. He realised that R&D professionals tend to be "blue thinkers" by nature, so he used "red thinking" to achieve a 20% reduction in work that lacked potential.

Second, he used **Catalyst** thinking to explore what customers really need – often working with **Cargill** stakeholders who were fellow "alumni". Gradually, the team built knowledge, capability and an external focus, shifting resources even further in the right direction.

The result, over two years, was an increase of return on R&D investment from 9% to over 20%. Less tangibly, perhaps, Chen reports that his team is more fulfilled and more creative than ever.

70% cost reduction

"Dani" had just taken on responsibility for a new country operation in Asia that was barely break-even and unable to grow. Customer demand was high, but operating costs were driving prices high... and customers into the hands of competitors. Dani quickly identified the need to reduce "support costs" in finance, procurement, supply chain and other areas, but the business was too small to justify reengineering the whole infrastructure.

At **Catalyst**, Dani met another participant who was leading another **Cargill** business in the same country. There was no history of collaboration, but the two "students" got together to experiment quickly and test out new solutions. Within 5 months, they had a working solution that they estimate would have taken them at least 18 months to reach using traditional methods. Not only has the collaboration resulted in a 70% reduction in overhead costs; it has also presented entirely new business opportunities.

Thanks to Catalyst, not one but two Cargill businesses have a roadmap for growth that will take them many years into the future.





Reflection and conclusion

The decision to go 100% digital for Deployment 3 has been fully vindicated.

In 2020, as the rest of the world began to shut down for the COVID-19 pandemic, the ultimate in external disruption, **Catalyst** simply went ahead as planned (with some extension of the total time available to learners). To date Deployment 3 has reached 1,330 **Cargill** executives. The final two cohorts of Deployment 2 also completed their learning in 2020, taking the total to 1,700 participants over some 2.5 years.

It is hard to produce similar numerical totals for overall impact, but the Brinkerhoff Impact Evaluation Institute reports that 97% of the 523 learners surveyed have taken new action (often implementation of Application Challenges) as a result of participating in **Catalyst** and some 80% are already observing beneficial results. Extrapolating from the case studies above, that means hundreds of major new customers, tens of millions of dollars in new business, vastly higher return on R&D investment and enormous cost reductions. The reasons for **Catalyst**'s impact are easier to present:

- The systematic use of **impact maps** to design the content
- Enthusiastic **sponsors** to keep learning grounded in **Cargill** reality and open two-way communication channels between different layers of leadership
- Digital experiences that offer learning in parallel to leading
- Application Challenges that turn theory into practice
- The speed, scale and simultaneity of the rollout.

Together these add up to a powerful **learning community**, which Costantini sums up as follows: "Any one of the top 1,700 leaders knows that all of the other 1,699 have had exposure to the same concepts. They never feel 'solitary' in meetings. That means the organisation-wide impact is far greater." In the first quarter of 2020, two years into **Catalyst** and in the midst of the pandemic, **Cargill** posted its best financial results ever. As Russo puts it, "Our leaders embraced **Catalyst**, applied and executed, to create impact".

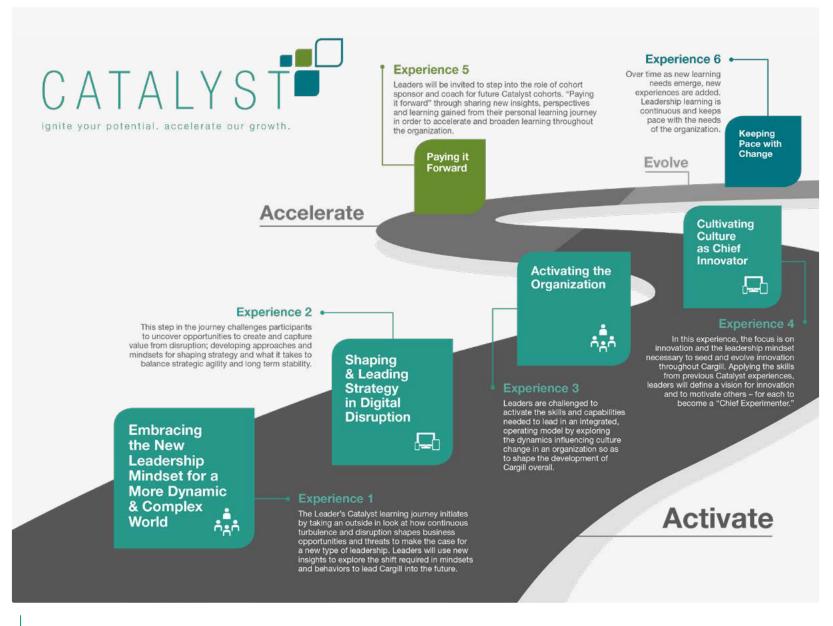


Cargill Helping the world

Appendix

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Leadership Learning Journey

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