



Robert Buckner Foye is the chief marketing, customer, and commercial officer for The Coca-Cola Company's Greater China and Korea Business Unit. China is the third largest market in the world for the company, and roughly 50,000 employees, including bottlers, work for The Coca-Cola System in China.

What are the key challenges in branding an iconic American product within a market that is vastly different from ours?

One challenge is cultural differences. For example, in China most families include one child living with four adults. Those four adults are keyed into the safety of the child. Product safety and quality become very important and are integral to brand success.

How about competition and the way the Chinese communicate?

The hypercompetitive environment is a major challenge. Marketing must cut through the clutter to grab the consumer's attention—also, the way Chinese consumers obtain and process information, which is largely on the Internet. There's a greater emphasis than in the U.S. on both digital communication and word of mouth. In addition, the concept of consumer loyalty is still developing. Consumers here have a broader brand repertoire: Their choices are less constrained, whereas, in the U.S. and in Europe consumers tend to be more brand loyal.

What is Coca-Cola's key brand message for 2013, and how will you promote it?

"Happiness Created in China" is the core message. Our aim is to establish brand love—the emotional connection—so that people will say, "Hey, this is my favorite brand. I love it and want to drink it every day!" We must also communicate the functional elements of the brand—the energizing refreshment aspect of Coca-Cola. And then comes promoting Coca-Cola "occasions"—those times when Coca-Cola would be the perfect complement, like with family meals.

In this issue, Coca-Cola's Robert Buckner Foye discusses the tough challenges of marketing an iconic brand in China; Howard M. Guttman shows how to move organizational mountains; and Guttman's June Halper discusses the lessons learned from helping an organization quell infighting among sales teams vying for the same customer. All this in a five-minute read.

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Adding Bounce to Coca-Cola's China Brand

And what about brand promotion?

In-store, point-of-sale activity is very important in China. Consumers have a broad repertoire of products to select from in your category. Seventy percent of purchase decisions are made right on the spot, in-store. So, how well you merchandize and display your product, how well you promote it, and having the right shelf space and merchandising are critical. Consumer interactive content is also important—in other words, getting customers engaged in your brand message, whether it's delivered on mobile phones, the Internet, or on TV. For example, we invite consumers to answer the question: Who in your life creates happiness? We ask them to submit photos of these "happiness creators." It reinforces the brand message.

What have you learned about managing the local workforce?

Always remember that you're a guest in someone else's culture. You need to respect how people here do things. You need to be a good listener and understand how people are feeling and reacting. Emotional intelligence is a key leadership quality, even more so than when you are operating in your own culture.

What is the composition of your leadership team?

It's a real cultural cross-section. My team consists of executives from mainland China, Taiwan, Hong Kong, the U.S., Spain, France, and Australia. They each run various parts of the business. For example: McDonald's, tea and innovation, sparkling, stills—juice, water, and dairy, commercial, customer, etc.

I would imagine it's tough to create a sense of *e pluribus unum* from such a diverse team.

Yes, it is—which is why I decided to adopt the horizontal, high-performing way of operating. I wanted everyone to understand that we were all part of one team. Either the whole team wins or it loses. In other words, the leadership team—and the levels below it—needed to be less siloed. Second, we wanted to get to know each other better in terms of our past, our cultural differences, and why we behave the way we do.

Then, there were a few people who weren't performing at the same levels as others. I wanted the team to feel comfortable bringing this out and suggesting ways for them (as well as themselves and me) to improve performance for the overall betterment of the team.

I'm a fly on the wall at your next senior team meeting. What would I observe that's different now that you've been through the alignment process?

When we meet as a team, you don't see hidden agendas. You see team members cutting straight to a frank discussion of issues, solutions, and execution. There's less "What about me?" and "How does this affect my area?" Sure, you'll always see some of that, but we've made tremendous progress here. You also see greater openness and comfort in the team giving me feedback, less issue avoidance, and faster decision making.

Have you taken the high-performance process down to other tiers?

We took the next 60 or so people through the process and provided them, as well as members of the top team, with a variety of skills in conflict management, active listening, influencing, and leadership

What has been your biggest "aha!" in your journey to a high-performance, horizontal team?

The importance of understanding the "why" better, both as a team and as individuals. All of us focus day to day on the "what"—what are the priorities, tasks, work plans, etc? But behind the "what," it's important to understand why this team exists, why behavior is this way, why it's important to examine the reasons for doing this and not that. And, as individuals, why do you and I behave this way? When you understand the "why," the "what" becomes far easier to discuss and execute. ●



Moving Organizational Mountains

by Howard M. Guttman

“One cannot manage change,” Peter Drucker once wrote. “One can only be ahead of it. . . . In a period of upheavals, such as the one we are living in, change is the norm. . . . But unless it is seen as the task of the organization to lead change, the organization . . . will not survive.”

Since at least the 1980s, many senior executives have attempted to get ahead of the change curve and transform their organizations to meet a growingly complex and demanding future. The results have not been encouraging. Most studies have found that upward of 70 percent of change efforts fail to achieve their objectives.

High-voltage, complex “interventions” used to be *de rigueur*. Remember reengineering, renewal, and restructuring, along with a raft of lesser initiatives, such as Balanced Scorecarding and Total Quality Management? None of these were inherently bad. They just seemed unable to move organizational mountains.

“We can’t keep up with the pace of change, let alone get ahead of it,” laments John P. Kotter in *Harvard Business Review* (September, 2012). He then adds, “The hierarchical structures and organizational processes we have used for decades to run and improve our enterprises are no longer up to the task of winning in this faster-moving world.”

To understand why the approach to change taken by hierarchical organizations doesn’t succeed, consider the polar-opposite approach to change that is taken by high-performing organizations.

First, the vision is a high-performance, horizontal one. Rather than trying to bolt change initiatives onto a slow-moving, risk-averse hierarchical structure, with its top-down decision making, silos, and limited accountability, high-performing organizations break down hierarchies, eliminate silos, distribute decision making, and create a sense of “WE accountability” and collective ownership at every level. Leaders in high-performance organizations don’t begin the change process “down there,” in the trenches. They go horizontal for real, beginning with the senior team and transforming it into a mini board of like-minded, high-performing leader-players.

High-performing leaders set their sights on the molecular level of organizational life: the performance and interaction of teams and their members.

Second, the goal is squarely on business results. Change per se is not a key objective of the high-performing approach. The fuel for the effort is a significant business challenge that must be met. What matters is accelerating performance to achieve significantly better results.

Third, the focus is on tight targeting. High-performing leaders shy away from big-bang initiatives aimed at transforming the entire organization in relatively short order.

They set their sights on the molecular level of organizational life: the performance and interaction of teams and their members. Their rationale is simple: Since teams are the basic work unit of the modern enterprise, the transformation process must start with them. Transform teams, ideally beginning with the senior management team, and business results will follow.

Fourth, the emphasis is on building organizational momentum. The high-performing approach to change begins with the senior team—whether at corporate, divisional, business unit, or even department level.

Once the senior team is aligned, its transformation is immediate and highly visible. It becomes readily apparent in the behavior of team members—in how they view themselves and engage one another, their direct reports, and their colleagues. As you align teams throughout the organization—tier to tier and team to team—you create a “how do we get into the club” kind of momentum. As the process unfolds in a carefully structured and sequenced approach, the entire organization becomes a high-performing, horizontal entity.

No one should pretend that change, especially significant organizational change, is a cake walk. It flies in the face of fear, resistance, comfort zones, and the entrenched conservatism of hierarchical structures. But high-performing leaders and their organizations know that the only way to move organizational mountains is to create a compelling horizontal vision, tying change squarely to business results, targeting and pacing it, and building momentum so that change sticks. It’s the best way to lead change and assure survival going forward. ●



From a Consultant's Notebook

June A. Halper

Here are the field notes from an intervention led by Guttman associate senior consultant June Halper.

Presenting Situation

Subsidiary of a global organization in the information services and publishing industry reorganized by decentralizing its sales force, putting a sales force in each line of business. ... One team, focusing on a particular line of products was, in turn, divided into two teams, segmented by products. ... Both teams served the same customers, so coordination was a must. In reality, they were highly siloed. ... Result: a free-for-all as teams jockeyed for advantage with the same clients. The team leader, VP of sales for these product lines, was seen by the team as incommunicative, as someone who did not involve the team in decision making, as not supportive, and as someone with little hands-on sales knowledge. Lots of underground behavior by team members.

Charter for Guttman

Create greater sense of interdependency among the competing factions, less infighting, more customer centricity, less lead hoarding. ... Aim: Bring us together!

Process

Situation called for a team alignment session. ... Worked initially with VP of sales and HR partner to structure the intervention. Given the hostility expressed toward the leader during the data collection phase, interviews with team members morphed into quasi-coaching sessions, asking: What role do you play in all this? How frequently do you give your leader feedback? Prior to the alignment session, the complete data file detailing team feedback was sent to the VP of Sales in order for him to preview the data. ... Dumbfounded by the feedback, but reacted well, without being overly defensive. Question for him: What do you own in all of this? Leader caught off guard, in part, because of team's underground behavior. ... Next, additional coaching of him and the HR director to ensure the session's success. ... Alignment session immediately successful because the up-front coaching of team and a strong focus on their "stories" enabled members and the team leader to see that "we all create the situation."

Results

Alignment session highly successful. ... Team leader showed up as candid, neutral, and willing to accept fair share of responsibility for the team's dysfunction. ... Ditto for team. ... In sharing stories, "truth" emerged about the leader and vice versa. ... Team members began to play for real. Team leader shared his frustrations as he tried to advance the team's interest to the next level up. This was a breakthrough moment, with the team now feeling the leader was at stake for the team's well-being. ... The leader's boss dropped in toward the end of the session and answered difficult questions authentically and honestly, further increasing the team's trust in its leadership. Candor increased well beyond the session. Ground rules were set in place for working together, along with making individual and group commitments to resolve specific differences. The sense of teamwork became a working reality.

Key Insights

How you set up an alignment session is crucial. Leading a new team puts a premium on timely communication, decision making, and active listening. Stop to read the tea leaves—and check the stories, yours and the team's. Otherwise, you risk being caught off guard. 🍵

Speaker's Corner

Additions to Guttman Leadership Video Series

Howard Guttman has added four videos to our hard-hitting series on leadership. Here are the issues he addresses:

- Onboarding High-Performing Players
- Shifting to a High-Performance Culture
- Horizontal vs. Hierarchical Organizations
- Aligning for High Performance

To access these and the other videos in the Leadership series, [click here](#) or visit <http://www.guttmandev.com> and click on the YouTube icon at the bottom of the home page.