LEADING INTO THE FUTURE TOGETHER
HOW HAGER GROUP UNIFIED ITS LEADERSHIP CULTURE TO TRANSFORM ITS BUSINESS

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Executive summary

Leading Into the Future – or LIFT – is a transformative leadership learning journey, created in a partnership between Hager Group and Vlerick Business School.

In 2017, Hager Group’s business model was vulnerable to price erosion. And because it had grown through acquisition, leadership culture was not always unified. LIFT was born of an ambition to embed a new leadership culture in all Hager Group’s regions – that would have the entrepreneurial spirit, tools and confidence to deliver the company’s strategy.

Vlerick Business School was called on to create a learning journey that would result in completely fresh ways of thinking and working, driven by a one-company leadership culture with a laser focus on customers.

The result was a hybrid learning journey that focused on the four pillars of Hager Group’s existing Leadership Framework.

From 2017 to 2021, 400 senior managers went on the deeply-transformational LIFT journey.

Impact was measured in participant surveys, return on learn surveys and Net Promoter Score (NPS). The results were impressive and wide-ranging. The LIFT programme has been instrumental in establishing the One Hager leadership culture – and customer feedback is overwhelmingly positive. Indeed, more than 75% of the organisation’s senior leaders said they observed ‘noticeable and distinguishable changes in leadership behaviour’ one year after participants completed the programme.

This is the story of LIFT – how it was developed and deployed. It’s also the story of how “Lifters” – the graduates of the programme – are driving change and embedding LIFT’s learning and principles ever-deeper into the organisation.
The organisations involved in this project

**HAGER GROUP**

Hager Group is an independent, family-owned company. It’s one of the leading electrical installations manufacturers worldwide. Founded in 1955 in Saarbrücken, Germany, Hager Group grew swiftly – and developed a solid reputation for its high-quality products. In the years that followed, the company grew internationally and became the leading supplier of solutions and services for electrical installations in residential, commercial and industrial buildings. Today, the company is still owned and run by members of the Hager family. It employs 11,500 people, and generates a turnover of more than €2bn.

**VLERICK BUSINESS SCHOOL**

Vlerick is a triple-accredited, international business school that’s consistently ranked among the best in Europe. It’s an environment where businesses and people come together to be challenged and to challenge the world around them. Vlerick’s excellent reputation is built on the design and delivery of innovative learning journeys that create deep, sustainable, business impact.
The development challenge

SETTING THE STAGE FOR TRANSFORMATION, WITH SIX LEVERS FOR CHANGE

Throughout its history, Hager Group has set itself challenges to grow and adapt. In 2012, the company realised it needed to bring about radical transformation. As a product provider in a commoditised industry, the company knew it was vulnerable to pricing pressures.

So the group fixed its sights on becoming a solutions provider – and invested heavily in developing new products and approaches. After a few years, Hager Group had a further realisation. Their strategic planning had not fundamentally changed the organisation – and its profitability was still generated by historic product lines and low raw material prices. Price erosion remained a threat.

From this point on, Hager Group focused on transforming from the inside out. It developed an agile operating model – and identified six change levels that would allow it to accelerate transformation and embed new ways of working. They then nominated a senior leader to activate each lever and liberate the energy needed for change.

Figure 1: Six levers of change to power transformation
CREATING A ONE HAGER CULTURE

To scale the transformation process, the group’s CHRO, Franck Houdebert, saw an opportunity to have all leaders take a more active role in transformation. The Talent Management team then developed a new Leadership Framework to outline the key behaviours needed to drive this.

The Leadership Framework comprises four critical areas:
1. Vision and strategic direction
2. Excite our customers
3. Drive for results
4. Develop, inspire and engage

Each of these areas was then further broken down into specific competencies – and development targets were prioritised.

The group’s executives quickly realised that in pulling these change levers, there was also a unique opportunity to create a common leadership culture.

Over the years, Hager Group had grown by acquisition and there had been little integration of different corporate cultures into the group. The company’s senior leadership team saw their organisation could become more focused and purpose-driven if, instead of fragmented approaches, there was a single, unified culture – One Hager. They believed this would lead to deep changes in leadership behaviours and ways of working. They also believed the Leadership Framework could become the guide for driving cultural change.

The Hager Group went out to the market to find a partner to create a “common ground leadership programme”.

Figure 2: Hager Group Leadership Framework
The partnership

THE DECISION TO PARTNER
Hager Group was looking for a partner to build a learning journey for its top 400 leaders. This would support the company’s transformation, and would be based on the Hager Leadership Framework. Vlerick Business School presented to Hager in April 2017 – and Hager made their decision to partner Vlerick shortly afterwards.

The presentation contained a detailed programme design and plans to develop a customised online learning platform. To the Hager Group, it was clear that Vlerick had invested serious time in understanding the company’s challenges – and that they were committed to co-creating a learning journey to deliver against their strategic needs.

DEVELOPING THE LEARNING JOURNEY
The first step was to create a development team for collaboration and co-creation. The team – made up of people from both Hager Group and Vlerick – worked together to make decision on scope, learning approach, content development, cohort size, programme intensity and timing.

As content was developed, senior Hager Group executives continued to work alongside Vlerick faculty. A senior executive owned the curation and development of content that aligned with each area of the Leadership Framework. Hager Group participated extensively in this creation phase, taking part in several rounds of alignment and co-creation. This joint involvement helped to guarantee that focus and perspective were right from the outset – and it was key to creating the learning journey at pace.

"This leadership development programme is a key milestone in our transformation journey."

Torsten Schulz
Change Lever Leader for Leadership
Only three months after the partnership started, the first cohort of 100 leaders started their journey with a two-day, kick-off event. This was followed by an immersive, online learning journey. And at the end of this, they took part in a two-day, on-campus “Moment of Truth”, which helped participants translate their learnings into action.

At the same time, local HR business partners followed a special learning track to give them the skills and confidence to co-facilitate adoption and delivery of the new approach.
The goal of the learning journey was to provide an intense, thought-provoking, and action-based experience – to empower leaders across different geographies to achieve the company’s strategic goals by 2020. As its fundamental purpose was to embed a new leadership culture, it was called LIFT – Leading Into the Future Together.

The journey was deployed in annual cohorts, from 2017 through to 2020. Each cohort accommodated up to 125 leaders – and took an average of seven months to complete.

The three stages of each journey were:

- A two-day, intensive kick-off at Hager HQ with all cohort participants
- An interactive online journey, made up of live and self-paced online learning
- The Moment of Truth – a two-day, campus-based module for groups of up to 25

This hybrid of live and self-paced online learning was underpinned by a customised, online learning platform. Local HR business partners were also involved, supporting the learning process and guiding peer coaching groups.

**STAGE I: THE KICK-OFF**

The kick-off event brought together all cohort participants at Hager Group’s headquarters in Obernai. It was designed to:

- Build momentum to start the leadership journey
- Explore new leadership perspectives
- Foster networking across divisions and countries
- Prepare the cohort for their online learning journey

The format was an energising conference, featuring a keynote from the CHRO and a Q&A session with the CEO. There were also a number of inspiration sessions and workshops, role-play with actors and poster sessions. A wrap-up prepared the cohort for their online journey.

You can watch highlights of the kick-off session here:

*During the kick-off event, I could feel, around the dinner table, the importance of such an event and the dynamics that it can entail. This is to a large extent driving the transformation that we are carrying out. I am aware that such an event cannot be done without a strong contribution of energy, enthusiasm, and personal involvement. That’s what you all brought!*  

Daniel Hager  
CEO Hager Group
STAGE II: THE ONLINE LEARNING JOURNEY

The online learning journey was based on the Hager Group Leadership Framework:

- Vision and strategic direction
- Excite our customers
- Drive for results
- Develop, inspire and engage

A self-paced online learning module was developed for each of these four areas – and each took six weeks to complete.

Throughout this time, participants accessed videos, reflective exercises, quizzes, cases and team assignments.

To wrap up each module, there was a live online session with fellow learners. This allowed participants to put into practice what they had learned online – and to ask for advice and share experiences.

**Figure 4:** Example of an exercise on the online platform

**Figure 5:** Example of a video on the online platform

**Figure 6:** The homepage of the online platform
**STAGE III: THE MOMENT OF TRUTH**

The grand finale of the learning journey was the Moment of Truth. In this last step, groups of up to 25 participants came together for two days to put their learnings into action. They experienced a safe learning environment where they could express their thoughts freely, share any lingering doubts - and become even more confident about adopting and living the new way of working.

They took part in activities including a leadership simulation exercise, coached role-plays and a Q&A session with Hager Group’s senior leadership team. Participants were also able to provide input and to commit to a Personal Development Plan. The Moment of Truth was an excellent forum to build on the One Hager spirit.

**IN PARALLEL: PEER COACHING, FACILITATED BY HR BUSINESS PARTNERS**

HR business partners across the world were brought into the programme to make sure leadership learning was put into practice. All HR partners had the opportunity to take part in their own training, in the form of a Coaching Masterclass.

They then delivered peer coaching sessions to leaders throughout the LIFT journey. At regular intervals, they coached groups of up to five learners – and supported their individual development.

This parallel line of support enhanced the learning experience for leaders on the LIFT programme. It also had the effect of embedding the practice of coaching more widely throughout the organisation, beyond the LIFT programme.

"The LIFT-program is a lighthouse for people development. It was just perfect. The main topics of the Leadership Framework and the transformation were well explained with the right level of expertise. It was high-level, but still understandable for our people. The faculty involved from Vlerick Business School and the guest speakers were outstanding. Finally, the feedback from several participants confirmed my positive feeling.

The opportunity to participate in this journey has been the best reward for my change lever engagement.

Bernd Kehl
VP Sourcing HagerGroup"

“The peer coaching initiatives were highly appreciated; I wish we had had this 30 years ago when I joined.” - Participant of LIFT Cohort 4

During my LIFT training path, I had the opportunity to facilitate a peer group and to help managers transpose leadership concepts in real life, to see concretely how to capitalize on what they learned and allow them to share best practice – and any doubts.

The discussions were often passionate and rich. My colleagues were motivated by future challenges, but also needed to share some difficult situations in their leadership roles. At the end, the group generated ideas and gave the participants reassurance and comfort as they realised they were not alone with their questions.

As the group was diverse in terms of business functions, cultural background, ages and genders, the content was rich and wider networks were created.

Anne-France Stamm
HR Business Partner"
CONTINUED IMPROVEMENTS AND REFINEMENTS

As the programme rolled out, the partnership between Vlerick Business School and Hager Group deepened. With a focus on continuous improvement, there were constant iterations and adaptations to the programme.

A major change was prompted by the global pandemic in 2020, which meant the last cohort’s journey was 100% online.

The Moment of Truth went through a radical revision – and the leadership simulation, together with the debrief and coached role-plays were adapted and deployed online. Even with these changes, the results were exceptional. Participants in the online programme rated it as highly as colleagues who’d had their Moment of Truth on campus.
The impact of the LIFT initiative has been remarkable for Hager Group. Between 2017 and 2021, a total of 331 managers took part. They've developed a common language and leadership culture – and have taken their first steps in adopting a new way of working. At the same time, a new, more entrepreneurial mindset has started to emerge. Ideas are being shared and leaders are driving Hager Group's strategy forward.

“I’ve had conversations with people at all levels of Hager Group,” adds Group Learning and Talent Manager, Carole Colin. “Once they’ve participated in LIFT, they’re no longer the same people. There’s a shift in mindset. These people are now sharing their knowledge – and soon, everyone at all levels of the business will have this same mindset and focus on the future.”

For the HR department itself, the LIFT programme has prompted a turn-around in their thinking and ways of working.

“LIFT has empowered managers. People are no longer sitting back and asking, ‘What do you want us to do?’ They’re asking questions, making suggestions and developing their own initiatives.”

Franck Houdebert
CHRO

It has resulted in the adoption of online learning as the standard within the company – and it has helped to create Hager University. The LIFT journey is the University’s reference programme – and it will be the flagship of their future Leadership Academy.
TWO KEY MOMENTS OF TRUTH FOR HAGER GROUP

Franck Houdebert says that in the last 18 months, two key moments have highlighted the real benefits of the LIFT programme.

The first is a refocusing of Hager Group’s strategy – which comes as a direct result of feedback from LIFT participants. Leaders on the programme highlighted the need for a clearer strategy, precise execution plans and a communications roadmap.

As a result, the Board developed a 10-year strategic picture, with an execution plan for the first three years, that started on 1 January, 2021. Regular review of the plan will take place – and an ambitious communications approach has been initiated.

Franck Houdebert continues: “Our Lifters were part of the energisers of this project, supporting the appropriation and understanding of the project at local level.”

Leaders already feel they have greater clarity – and further feedback on this will be sought in the company’s June 2021 engagement survey.

The second moment of truth was the Covid-19 crisis. It has been effectively managed using the leadership principles at all levels of the organisation. The Board initiated a three-point framework to steer the company’s response:

R - responsibility regarding health and safety

U - uninterrupted customer relations

N - net situation – adapting spending to the situation and maintaining capacity for the future

Franck Houdebert adds: “This framework allowed our teams to work in a consistent and autonomous way. We observed a strong empowerment from our leaders, supported by our Lifters. These two tangible examples clearly demonstrated that the LIFT program reinforced our autonomy and capacity to act and take local initiatives.”

MEASUREMENT

The impact of the LIFT programme has been measured in three key ways:

• Cohorts were surveyed about quality and learning impact at each stage of their journey – kick-off, online journey and Moment of Truth

• More profound impact surveys (return on learning surveys) were carried out 12 months after the first two cohorts graduated – where participants and their supervisors were asked for input

• The Voice of our Customer Survey, launched in 2019, measures customer centricity and NPS
PERCEIVED QUALITY AND LEARNING IMPACT

After each step in the LIFT journey, participants were asked to feedback on the quality of services delivered and the perceived learning impact. This data resulted in a learning impact indicator that was used to monitor effectiveness of learning, understand progress – and capture any need for adjustments and refinements to content.

The overall quality score given by participants was highly positive. Overall evaluation of the programme ranged from “very good” to “excellent”.

Another question asked was: How confident did participants feel about being able to put their newly-acquired knowledge into action?

This consolidated data shows average scores of the impact of the overall learning journey:

The scores, together with qualitative feedback from participants, give a first indication that the LIFT programme is perceived to have had a high impact.

"LIFT gives you the opportunity to walk inside yourself, look at different perspectives. You come across and listen to many diverse people – an amazing experience.

Sylwia Kornas
Logistics Manager, Poland"
The Return on Learning survey was issued to all participants – and their supervisors – one year after they’d completed their LIFT journey. The survey measured the long-term effect of the LIFT programme, against the strategic pillars of the Hagar Group Leadership Framework. To date, the first and second cohort have been surveyed – and a total of 122 participants and 54 managers have responded. Cohorts three and four will be surveyed later in 2021.

The results show 81,45% of participants and 75,1% of managers saw noticeable and distinguishable changes in participant behaviour around the four pillars of the Leadership Framework. At the same time, 91,95% of the participants and 79% of managers said the programme met or exceeded their expectations.

Participants scored their highest perceived change on the ‘develop, inspire and engage’ pillar (87,94%) – which is a clear indication of their increased self-confidence as leaders. Their managers, however, reported the biggest change in the ‘excite our customers’ pillar (82,93%). This result is corroborated by the next part of the impact measurement, Hagar Group’s NPS.

Another notable statistic was that more than half of LIFT participants are willing to support new “Lifters” as mentors. This indicates that a mentorship culture is embedding. A total of 37% of participants also said they were willing to take part in creating content for the LIFT follow-up journey.

### Figure 10: Results

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THE VOICE OF OUR CUSTOMER

In 2019, Hager Group conducted their first customer satisfaction survey to measure their NPS, as well as the general satisfaction of customers. That year, the benchmark of all B2B companies was an NPS of 10. And within their specific industry, it was 27. Hager Group’s direct competitors – Legrand and Schneider – scored 3 and 21 respectively. By contrast, midway through the LIFT programme, Hager Group’s NPS was 46.

As for general satisfaction, Hager received a solid 8.1/10 from their clients. They scored particularly highly for sales relationships with customers. A total of 45% of customers said they believe Hager is better than its competitors.

The high score in the customer satisfaction survey is in line with the expected change in behaviour associated with deep transformation – which was supported by the LIFT journey.

LOOKING TOWARDS THE FUTURE

Hager’s transformation continues. Solid foundations have been laid and performance has improved. The top 400 leaders have adopted a new mindset and capabilities – and they now have the tools to further transform their teams and the organisation.

The company’s L&D approach also matured through the partnership.

Today, online learning is recognised across the organisation as equally effective, when it has the right support in place. The results of impact surveys have also prompted senior management to keep investing in leadership development and to make the LIFT journey available to future generations of leaders.

State-of-the-art management theories, paired with best practices applied to the specific competencies we would like to enhance within the Hager Group, embedded in a digital learning environment, is a unique experience that will definitively enable the attendees to cope with the challenges ahead of us.

Thomas Stein
Sourcing Director, Germany
Contact details

**ALEXANDRE SEGERS**
Business Unit Manager Customised Programmes
+ 32 9 210 97 32
alexandre.segers@vlerick.com
www.vlerick.com

**HANNAH DERMAUX**
Learning and Development Consultant
+ 32 9 210 92 44
hannah.dermaux@vlerick.com
www.vlerick.com

**CAROLE COLIN**
Group Learning Manager
Hager Electro SAS
+ 33 784 25 07 43
carole.colin@hagergroup.com

**VIRGINIE DAGNET**
Group Talent Management Director
Human Resources
+ 33 787 78 61 55
virginie.dagnet@hagergroup.com