



# Cultivating Communication

With more than 6,500 people across Australia and New Zealand, George Weston Foods—whose brands include Tip Top, Weston Milling, DON KRC, and Jasol—is fostering collaboration and communication to cement a clear vision for the organisation.

Images by Scott Ehler

**S**etting strong, clear priorities for the business has been the driving force behind Andrew Reeves' holistic approach to leadership. Since assuming the position of CEO of George Weston Foods in 2011, Andrew has transformed the culture, strategies, and vision of this massive organisation.

*The CEO Magazine* sat down with Andrew to discuss the challenges and triumphs faced by the George Weston team.

***The CEO Magazine:* What is your professional background leading up to and including your current role?**

**Andrew:** My career has primarily been in fast-moving consumer goods businesses in Australia, mostly in food and beverage. The main companies I've worked for have been Kimberly-Clark, Coca-Cola Amatil, and Lion. I've spent the past two and a half years at George Weston. My functional background was in marketing. I started in marketing, and then expanded across marketing and sales and ultimately moved into general management. I've been leading and running businesses now since 1993.

**What lessons have you drawn on from your previous experiences to aid you in your current role at George Weston?**

You learn a lot of things over the years in different businesses and sectors. To distil that, there are a number of things that have been really helping me. The first one would be the absolute importance of getting clear strategic choices made about the business you're in, where you want to compete, how you want to do that, and then using that to really help you prioritise.

I have a very strong belief that you have to be really rigorous and disciplined about priorities in business. I ask people to distinguish between the interesting and the important and then try to simplify it. Don't make it overly complex; just be really clear about what you're trying to do and your priorities. It really channels your focus.

One of the big challenges that all leaders have is that we can't talk to every single person in the business every day to make sure we've all got consistent priorities. Therefore, aligning the organisation to your strategic choices and priorities is really important so that

everyone in the business is clear on what we're trying to achieve and their role in that.

We've got more than 6,500 people across Australia and New Zealand, so trying to ensure that they're all working to a common agenda and set of priorities is pretty demanding. That alignment through all the levels of the business is critical.

Another thing I've learned is that you can't underestimate the importance of surrounding yourself with great people and building great teams. Businesses have so many challenges and issues to deal with, and you've got to have the best-possible people. As a leader, you have to work through other people, and building the strongest teams is vital.

Finally, you've really got to create a strong focus on the external environment, the marketplace, the customer, and the consumer in the business. One of the challenges I had in this job was that it was very inwardly focused and we were spending all of our time on stuff that was about us and the internal machinations of the business. We were ignoring the marketplace and the people we conducted business with. >

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Making sure the customer's voice is heard inside the business and that we have a real, strong focus on the marketplace is critical.

**You mentioned a number of substantial challenges. How did you address these obstacles when you became CEO?**

George Weston Foods has worked hard over the past 24 months to stabilise the business across brands including Tip Top, DON KRC, Weston Milling, and Jasol. The overall group is making very good progress; however, there is still work to be done as part of the change journey.

First and foremost, we weren't delivering on our commercial goals or commitments, and the business had been consistently underperforming against its promises and expectations. We had a situation where our costs were rising much faster than our revenue, and that's a recipe for disaster.

One of the things we had to do early on was to sort out what our critical strategies were going to be and where we would get the most crucial areas of the business to focus on, and start channelling our energies and resources towards those. That was really important.

After that, most of the issues were cultural. The business has got really good foundations: it's got operating for a long time; it's got good infrastructure and assets, and good market positions. We had the ingredients of a strong business, but we were letting ourselves down in some of the people and cultural issues.

The engagement levels in the business were very poor. You can't be a successful and sustainable business when your own people aren't highly engaged in what they're doing. We didn't have a good culture of accountability; people weren't doing what they said they would do and were

consistently missing targets and deadlines. Too often, there was a problems mindset rather than a solutions mindset.

We had to attack the culture on a number of fronts. One of the phrases we coined during this period was 'Change the people or change the people'. That sounds hard-nosed, but we said that we needed to change a lot of the things we were doing if we wanted to be successful.

We also said that we wanted to give people the opportunity to make that change and we wanted to support them through that change. However, we also told them that if they couldn't come on that journey, then this wasn't the place for them. It's a tough but important message. If you can't build a strong business on a sustainable platform, then you don't have a business. People have to confront that and decide whether they want to be part of that.

When we look at all these factors, we've come a long way. Tip Top has regained momentum, and we have stabilised growth through investing in innovation, operational efficiency, productivity, and pricing, with the overarching brand promise to delight people every day with the simple pleasure of good food. Since acquiring KRC in 2008, we have worked hard to integrate the DON and KRC brands, and have focused on capital investments in safety programs and cultural change. We have also halved our carbon footprint and water usage through advancements in new technology and its cogeneration heat and power plant. We are also making strong headway with Jasol and Weston Milling.

**How did you shape the company culture? Did you offer staff more training opportunities?**

We spent a lot of time thinking about how they were going to be successful in each business, what was going to be their basis of competition, and what they needed to get absolutely right. We got really clear on that and organising our plans and allocation of resources against those things. We made a choice that leadership is absolutely critical for the success of the company, so we have spent a lot of time investing in leadership capability and training.

If you think about the most senior group of leaders in our business, there are probably 200 or so really critical leaders across the businesses, and we've invested heavily in helping them become aware of their leadership impact and skills. We worked with them and gave them tools and techniques to help them improve their leadership capabilities and style. If you're going to engage and drive people, then it comes down to the impact leaders have on them.

This investment in our people has made a difference. Tip Top has some of the highest staff engagement numbers across the George Weston Foods business, and we have many staff that have been with us for more than a decade.

**What are the central principles in George Weston Foods' philosophy?**

We believe very strongly in independence and autonomy, whether that's at a business-unit level or a leader level. That comes with another caveat, which is that we give you a lot of independence and a lot of room to shape strategies and outcomes, but you have to be accountable. Accountability is really crucial to everything we do.

**With a lot of manufacturers moving overseas, how do you ensure George Weston remains local and innovative?**

It's really important that Australia has a viable and sustainable food industry. The fundamental way we can do that is by having strong, sustainable businesses. Investing in our companies, customers, and brands is absolutely crucial.

We've got to drive growth through innovation, and that's something we're putting our minds to a lot more now. We've got to be able to invest in our infrastructure. We've got 60 different sites across Australia and New Zealand. We've got an extensive route to market, particularly in our bakery business, and it requires a lot of investment to sustain it.

True to this focus, we recently completed the final phase of our \$9-million upgrade at Springwood bakery. This investment enables us to futureproof the jobs of our local staff and strengthen our focus on innovation.



**What are your plans for George Weston Foods?**

Over the past couple of years, we've been really rebuilding the business and turning it around, and we're a long way through that process. I think there's probably another year in front of us of working on that agenda. At the end of that, we're going to be a much fitter and stronger business. We'll be stronger financially, we'll be more capable from a people and culture point of view, and we'll have established some important relationships across all of our markets with our customers.

We're moving from a turnaround period into a period of opportunities, and that focus on growth is at the top of our agenda. We're challenging all our businesses to think about where they can start to leverage their assets and strengths against growth opportunities.

If I were to highlight just one goal, it would be to make Tip Top the leading baking company in Australia and New Zealand by 2015. I believe we can do it, and I am excited about the opportunities that lie ahead for our business. ●

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