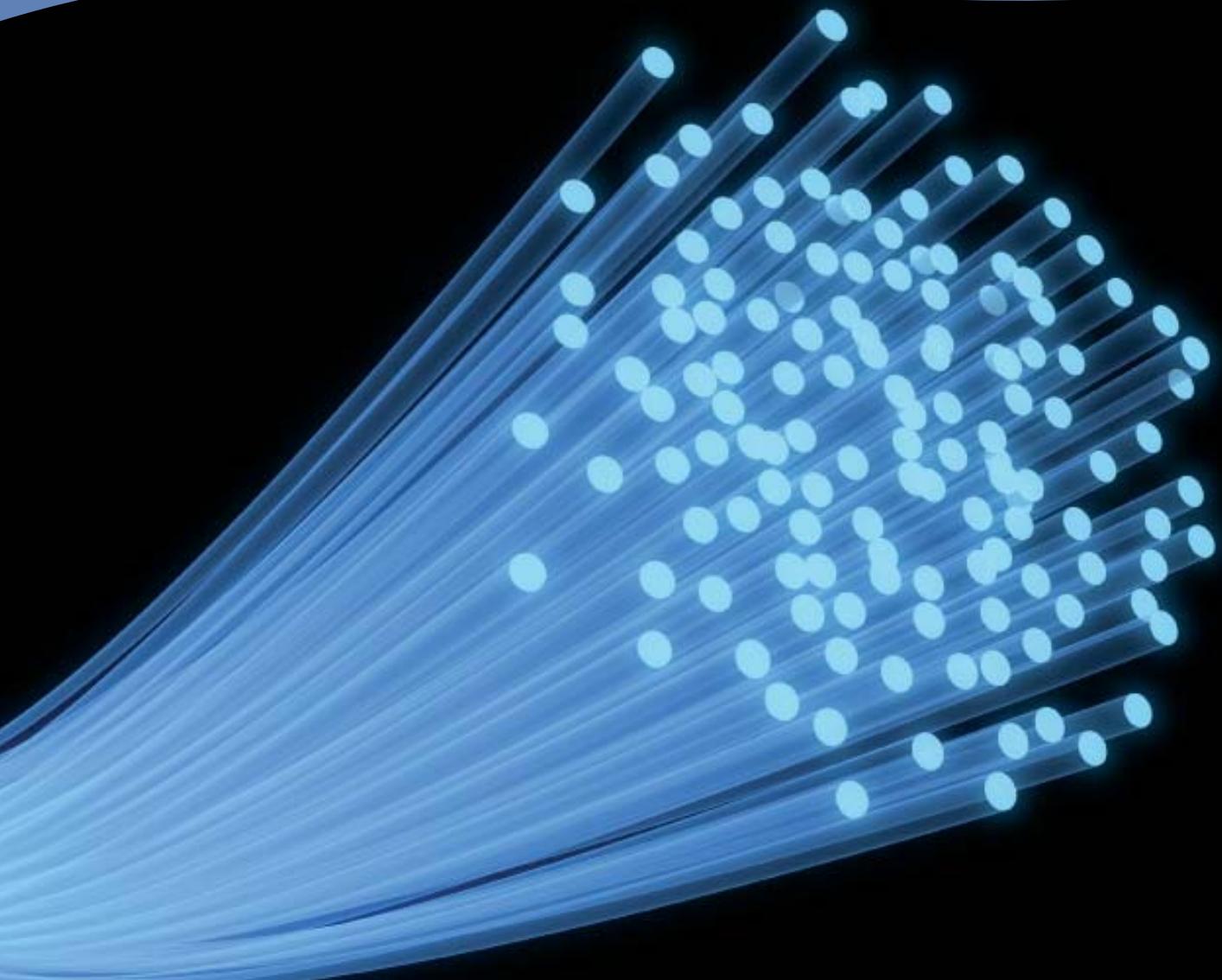


# Case Study

Aegon

Inspiring, connecting and creating



Over the last four years AEGON UK, the life insurance and pensions company, has been striving to release the full potential of their management team and dismantle the prevailing silo mentality that existed in the business. Irene Martin Talent Manager: management development, lifts the lid on how its efforts have paid off.

AEGON's investment in management development began in 2005 when we recognised a need to develop our management population, to release their full potential and create an environment which challenged the status quo.

We also recognised that we did not have the expertise internally to develop the organisation in the way we wished, so approached a number of business schools to help us create a management development programme to address the issues we had identified.

The result was a partnership with Henley Business School which created our Progression programme for all managerial staff. We acknowledged that we needed assistance in a number of areas:

- expertise in designing and delivering learning experiences and processes to support organisational change.
- expertise and knowledge of up-to-date practices in management development, which can be put into practice, back in the workplace.
- offering access to subject experts, and meeting and working with people from other organisations and sectors.
- development of our management population to further stimulate self-development.
- the insights that an external perspective can bring to our business.

The programme is split into three streams for managers at different levels, but the aim of each is the same - to improve the management and leadership skills of our employees, as they are what sets us apart from the competition.

Our Chief Executive Otto Thoresen championed the initiative and was heavily involved in its delivery, as were the other members of the executive team and senior managers within the business, thereby leading by example. He believes the development programme was essential for a number of reasons:

'I have come to believe that the most sustainable and powerful source of competitive advantage in an organisation is to release the full potential of its management population. This involves helping them to become self aware, recognising their strengths and development needs and, most importantly, how they affect other people and also providing them with a common management language and toolset. The only way to do this was through a programme like the one we designed with Henley.'

Otto Thoresen is also brutally honest about the culture which existed four years ago – another key driver for us to develop the Progression programme:

'There was a complete absence of any management development programmes historically. A large proportion of our talent was home grown and there was an absence of external experience and benchmarking against the best,' he says.

'We had a tendency to accept mediocrity – measuring our progress against 'where we used to be'! We were also a silo organization – blame was laid at the door of another part of the organisation when things didn't happen or went wrong. Our Performance Management and ability to 'hold difficult conversations' were also areas of weakness.'

Four years down the line Otto has a very different opinion of the organisation following the implementation of the Progression programme.

'The programme has exceeded all my expectations by a significant margin, which I am delighted to see. Many of our people have grown in stature and confidence and, of course, effectiveness. Silos have been dismantled and we now look outside the organisation at the 'best of breed' when setting standards. People have become more demanding and there is an energy and enthusiasm within the organisation, despite the economic climate.'

The Progression programme is split into three streams but has one simple aim: to develop the capacity and capability of managers within AEGON UK to create, lead and sustain a high performance organisation. It also underpins our 2010 business objective of achieving a 20% profit margin and 10% market share across the business by 2010.

The three streams within the Progression programme target differing levels of managerial staff:

- **Inspire:** for senior and executive level employees, developing a strategic focus and an emphasis on leadership skills
- **Connect:** for middle to senior managers, focusing on making the connection between strategic alignment and operational plans, with an emphasis on enhancing managerial skills
- **Create:** for first-line managers and has an operational focus with emphasis on building managerial skills.

On completion of each stage there is evaluation and discussion of future development potential as the Progression programme has become a catalyst for the identification of the talent development pipeline.

Since our organisation had suffered from a silo mentality in the past, we were keen not to initiate a cascade style development programme, where the most senior managers participated and were left to filter information down. We wanted to create a cultural shift within the organisation so all three streams – Inspire, Connect and Create – were introduced simultaneously with staff at all managerial levels enjoying development at the same time. This enhanced the learning, the shared ideals and helped everyone benefit more from the experience.

All three streams of the programme are divided into three of four modules and the whole programme lasts between six and nine months: module topics include:

- 1 understanding self: MBTI, feedback on behaviours, development of Support and Challenge Groups (see below)
- 2 business dynamics
- 3 customer perspectives
- 4 moving forward: reflecting back on learning; analysing what needs to change and developing a springboard for action.

Coaching by internal personnel plays a crucial role in the programme, both during and after the modules, as does the creation of Support and Challenge groups (S&C).

These groups of seven or eight programme participants work together – though they may never have met before. While our UK headquarters are in Edinburgh we have staff based in London, Lytham St Anne's, and Dublin and all were involved in the programme. At the end of the formal programme the groups give a presentation to an Executive and Senior Manager on a selected post-programme project which includes their learning experience, as they identify areas for improvements and further development – both personal and organisational.

Many of these Support and Challenge S&C groups continue to meet (in person or virtually depending upon location), giving on-going support to each other and building networks throughout the organisation. Programme participants have also established S&C groups of their own to continue their development and help embed their new skills and learning into the way they operate on a day to day basis.

**One participant on the Connect programme said:**

'I have been involved in a cross-site (Lytham) S&C group. This comprised of six people who had attended one of the Progression development forums. This has resulted in three main benefits to date. First, invisible barriers have been removed as we were all aiming for a common goal of improving working life/deliverables at the Lytham site in the best interests of the customer. Each one of us in the S&C has had five local doors opened to us to get our jobs done more efficiently. If a problem is encountered we pick up the phone or go to discuss it with a fellow S&C who may be able to give impartial advice or know someone who can help us.'

'Second, there has been the introduction of Speed Networking at Lytham.'

'Lastly, this has increased my self esteem and confidence as a leader and influencer on the Lytham site.'

**Jonathan Peet from the Capital and Risk Management team says:**

'Before Progression I didn't dedicate sufficient time and energy to management issues. In particular I didn't make enough time to step back and look at my own performance and that of my team. And in performance management reviews

I'd tended to focus on areas of weakness where I thought there was a need for improvement. However, I learned that performance can be improved by looking at those things that we already do well and by developing them further.'

'Since Progression I'm dedicating more thought to management issues. In particular I've been looking at different methods of monitoring my team's outstanding tasks and planning how we should tackle them. Interestingly, another member of my Support & Challenge Group provided one of the tools I'm now using.'

To date more than 1,000 managers have been given the opportunity to experience the Progression programme, with more to follow. Otto Thoresen is delighted with the progress so far:

'The journey has just begun as the programme is still developing and evolving but quality development and leadership training is at the heart of our business strategy execution,' he says.

#### How managers implement learning from Progression back into the workplace

'We achieved our goal of holding interactive strategy sessions involving people from across different areas of the business. They stimulated healthy debate about immediate and longer term strategy and we achieved our vision of getting people from across the business to work together on the challenges head.'

##### **Inspire Manager**

'In line with the AEGON culture, we wanted to introduce some 'fun' into our normal routines. We divided employees into teams and organised small events throughout the year. Team building was the aim and overall it has been very successful. People have a much better understanding of what each area does and the interaction worked well.'

##### **Connect Manager**

'Our Support and Challenge group identified a gap in the leadership programme between managers and non-managers. Feedback from newly promoted managers showed that if development opportunities and training had been available before they had achieved their promotion, they could have been more effective from day one. After discussions with Talent Management, Training and Development we discovered they were already looking at this area of development. We worked with them on a pilot to help develop the next stage of Progression'

##### **Create Manager**

## Case study: Aegon

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