

Electrocomponents plc: Strategic Thinking programme

The Client



Founded in 1937, Electrocomponents plc is the world's leading high service distributor of electronics and maintenance products. Operating under the trading brands of RS Components and Allied Electronics, supplying over 2,500 suppliers to 1.6 million customers worldwide.

The Challenge

In 2008 led by CEO Ian Mason the board conducted a strategic review and re-focused the business on 4 key areas:

1. Focus on international markets
2. Accelerate the development of the Group's electronics and maintenance offers
3. Exploit the potential of e-commerce
4. Leverage the Group's global infrastructure and increase operating margins

This strategic review and the actions that it initiated resulted in more than doubling of profits in 2009, and this strong performance has continued into 2010. Whilst all senior managers within the leadership population are required to make strategic decisions everyday, the vast majority have never been formally taught about strategy.

This identified need led to the desire to support and enhance the ability of managers to make strategic decisions with confidence using well proven tools and methodologies. Crelos was asked to develop a modular strategic thinking programme (based on the proven Think-IN methodology) that will support a group of high potential leaders to 'increase their strategic capability ... support their theoretical know how whilst practically working on resolving specific strategic business issues internally'.

The Approach

Crelos worked with Sara Wright, Head of Organisation & Leadership Development, & Beverley Hamblet-Bowes, Leadership & Organisation Development Consultant to tailor and scope an individual programme that was differentiated from typical strategy programmes through considering strategy development and implementation from multi-angles; procedural, behavioural and contextual. In particular, it considered the very human behavioural pitfalls that are the cause of poor strategy and strategic thinking as well as the behaviours that lead to strategic excellence.

It also provided individuals with a defined staged process of effective strategy formation; it develops the behaviours of formulating strategy i.e. how people search for information, form concepts and develops strategic options and it provided leaders with a toolkit of strategic tools and methodologies with clear guidelines about which to choose when.

"Good strategy means good business. The decision taken by Electrocomponents plc to develop the strategic thinking capability of their Executives will harness inner brain power and create the conditions necessary for a thinking organisation to develop. With a potential 6.9% greater ROI on decisions characterised by a superior process, this is one of the best strategic investments an organisation can make. Crelos are proud to be partnering with Electrocomponents plc to embed this methodology".

Ali Gill, CEO, Crelos

¹The case for behavioural strategy, McKinsey2010

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"The learning surrounding the approach which I found most valuable was the process of individual contribution followed by team discussion. This was a new concept for me and it was fascinating to see how different our team discussions were when we followed this approach. We even took to adopting the approach in sessions we had outside of the formal modules as we found that we were far more diverse in our thinking than when we just went straight to team discussion". **Aisling Mooney, HR Business Partner, Electrocomponents Plc**

"The programme tied together really well, we were applying learnt theory to a real Electrocomponents Plc business problem. It was real and the results mattered - that's what created a strong sense of importance in the work we were doing." **Mark Lenton, Head of Business Transformation, Electrocomponents Plc**

The Solution

This solution focused on achieving a practice based approach where the participants learned a strategic thinking process through focusing on 2 real strategic issues identified by the GEC board. Through the three 2 day modules and ongoing coaching support participants learned and practised the behaviours that differentiate highly effective strategic thinking. They were introduced to and used leading edge strategic thinking tools, concepts and methodologies. Key business stakeholders were also utilised as Strategic Question Sponsors providing the participants with extra insight and challenge when forming their strategies. In many respects the programme condenses the challenges of real life strategy development into a short period of time, requiring the participants to engage real life senior business stakeholders in order to win support for their proposed strategy.

"The modules we undertook and the availability of an expert on hand to provide guidance provided a great learning experience. The build up to the GEC presentation was high intensity, our desire to deliver as much value to our organisation as possible was high and I felt our end result warranted the investment in us." **Mark Lenton, Head of Business Transformation, Electrocomponents Plc**

The Results

"I am proud of the strategy that we delivered to the Executive Committee and being able to respond to their questioning and see genuine interest from them in what we had presented was really rewarding - all the hard work had been worth it! Feedback from the Executive Committee that we presented something which has made them think differently was great, especially as we were no experts in the field of our strategy - it made me realise that you don't have to be an expert to write a good strategy, if you follow a robust process and research widely then you are credible." **Aisling Mooney, HR Business Partner, Electrocomponents Plc**

"The most powerful moment for me was as our story came together we had all the research and background information to draw upon and that prompted us to explore options. Even those we discounted provided valuable input to our eventual outcome making it all the more powerful." **Mark Lenton, Head of Business Transformation, Electrocomponents Plc**

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The Future

Crelos are committed to helping leaders to deliver the best thought through, executable and differentiating strategies. By developing individuals to assess and develop thinking capability and decision making capacity, Electrocomponents Plc are harnessing their internal knowledge and embedding the discipline of effective thinking within in the organisation. *"This programme develops a fundamental capability for our organisation. It follows our ethos of employees taking ownership of their own development whilst being supported with the right tools and techniques."* said Sara Wright, Head of Organisation & Leadership Development, Electrocomponents plc.



Crelos consult in organisational development and change. Our expert team work in partnership with clients to understand their strategic business agendas and develop solutions that achieve improved business performance.

Our consultants use the best proven and scientific research regarding how and why people react and behave as they do to design bespoke solutions that effect change. Through organisational consultancy, executive team facilitation, executive coaching and executive development and professional development we support executive leaders and their teams to solve their most complex and challenging business issues.