

Excellence in Practice 2022



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“Beyond” An ambitious next-level talent development programme

How can organisations energise and accelerate a long-term transformation initiative? This was the challenge facing Dr. Mostafa Terrab, Chairman and CEO of OCP, in 2018. The Moroccan-base phosphate mining and fertiliser firm had exclusive access to 70% of the world’s phosphate reserves and was already a decade into a far-reaching transformational journey to shift to its next S-curve. The company was evolving from a mining and commodity fertiliser company into a player offering customised and farmer-centric agricultural solutions by 2030.

OCP’s three-pronged transformation involved doubling mining operations, tripling fertiliser production and reducing costs. Its next investment phase prioritised shifting from fertilisers to farmer solutions and diversification into P-related byproducts (Figure 1).

To realise its strategic shift OCP needed to explore new business models that would help it diversify beyond mining and fertilisers into businesses that focused on phosphate-related byproducts while better exploiting existing operations in mining and fertiliser production more efficiently and effectively.

IMD and the Africa Business School (ABS) were the perfect partners to lead the next step in its transformational journey. IMD conducted a diagnosis exercise – multiple stakeholder interviews, visits to key industrial sites, and a series of workshops – that resulted in the

categorisation of the company’s ongoing initiatives into three groups: (1) building capabilities, (2) exploitation, and (3) exploration. This helped the partners understand the knowledge and skills OCP needed to develop in order to accelerate its ambitious transformation strategy.

During the diagnosis, IMD identified six streams on which OCP should work. It advised OCP to focus on the Leadership & Change and Talent streams to help its talent develop the necessary skills – operational efficiency, problem solving, project management, building leadership capabilities, and increased customer understanding and strategic thinking – to accelerate all six streams.

In addition, IMD recommended a pedagogic approach alternating academic and experiential learning to:

1. Develop OCP’s ambidexterity to exploit its phosphate operations efficiently and explore emerging opportunities to diversify into phosphate-related byproducts.
2. Focus on capacity building in domains such as innovation, digital capabilities and customer- centricity.
3. Expand leadership and change capabilities and talent.

Based on the diagnostic results, ABS, IMD and OCP co-created the talent development programme Beyond to accelerate OCP’s shift to the next S-curve.



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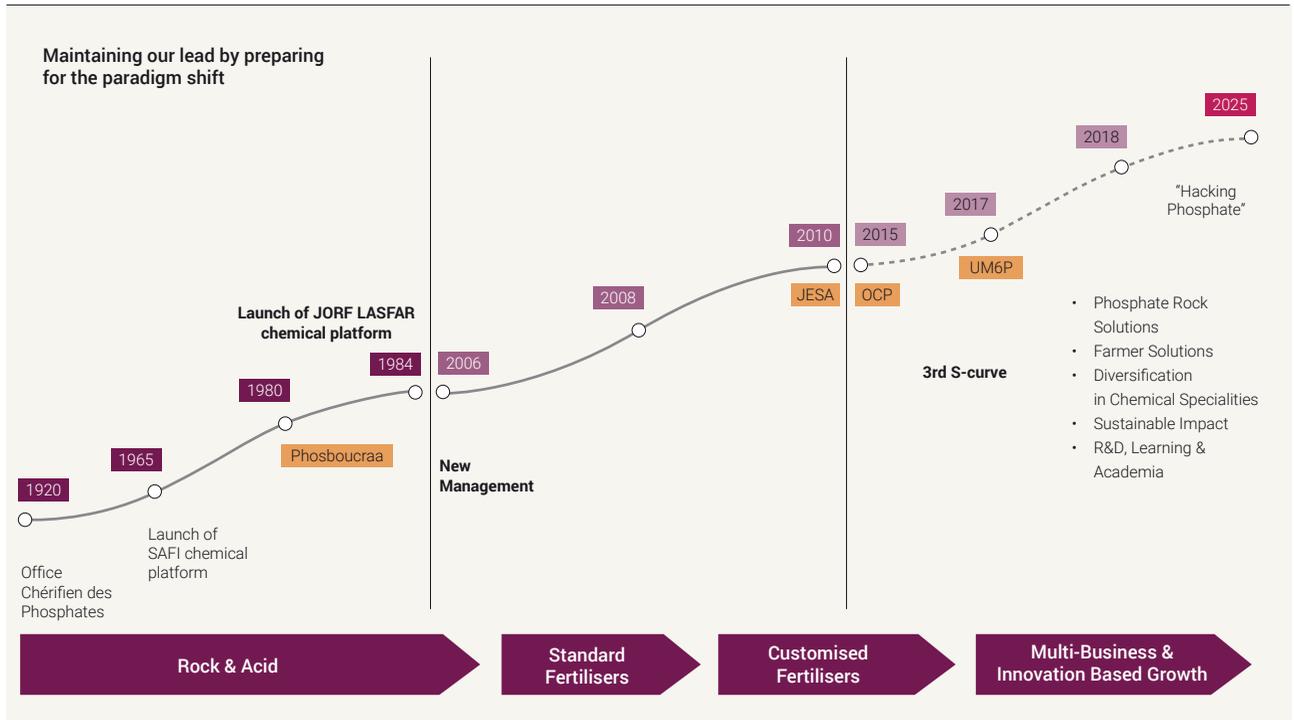


Fig 1: OCP's ambitious 20-year transformation programme

OCP set an ambitious agenda

From the outset, the chairman wanted a talent development programme to quickly develop 400 employees, both internal and new hires, and then to scale it to all OCP employees to ensure smarter and faster execution of OCP's strategy. His goals were to:

- Embed participants with an industrial and customer culture
- Develop skills and provide the necessary methods and tools to build critical thinking and solve problems
- Create ambidextrous change agents able to challenge the status quo and shape the future of OCP by leading ethically and responsibly.

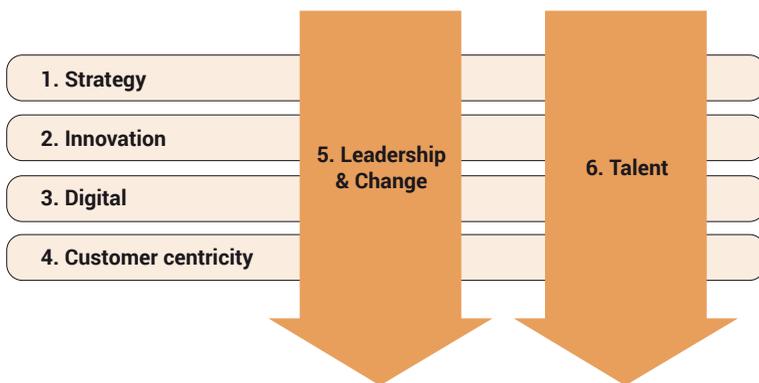


Fig 2: Overview of IMD and OCP's work streams

Beyond:

Developing talent with academic & applied learning to accelerate OCP's transformation and shift to its next S-Curve¹

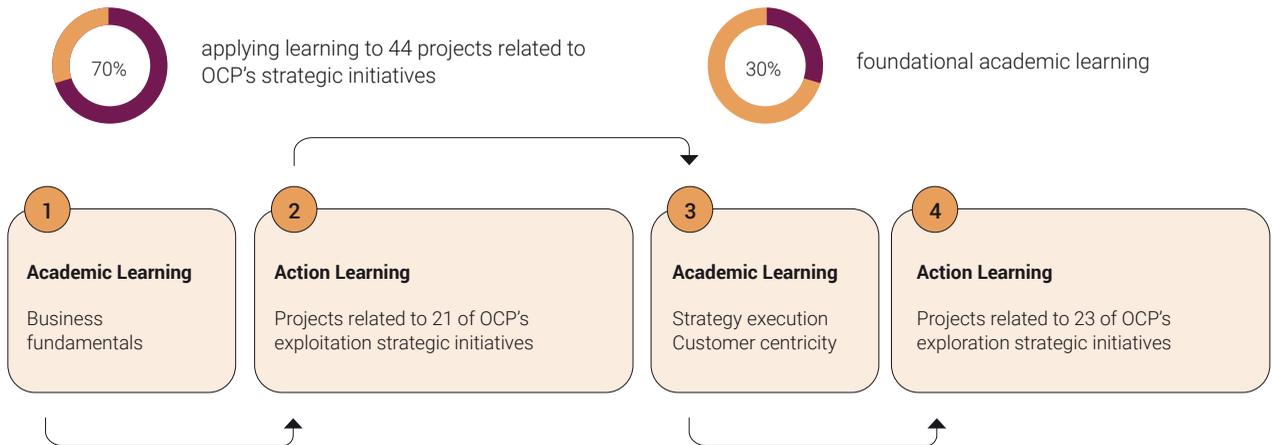


Fig 3: Beyond programme: Interweaving of theory and practice

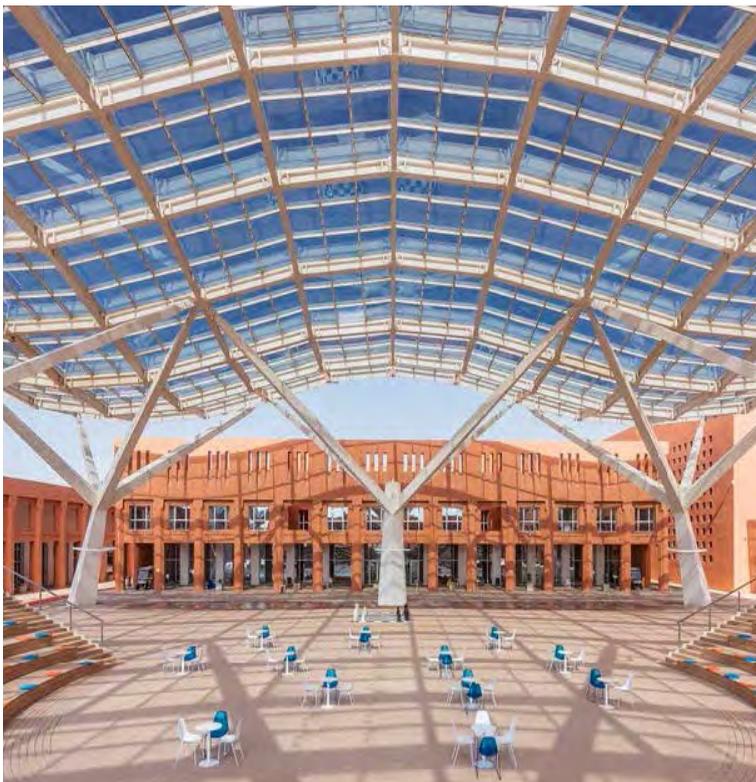


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To deliver Beyond, the team

- Developed an innovative recruitment process for internal and external talent (from the Moroccan diaspora) for Beyond.
- Co-designed the learning journey and developed the programme's communication strategy
- Coordinated with initiative sponsors to select and define the strategic initiatives that formed part of the on-the-job learning and selected the business coaches.

Beyond classroom learning: Interweaving off-the-job and on-the job learning ...

Despite Covid, the Beyond programme helped OCP transform and accelerate OCP's shift to the next S-curve. A key to its success was tightly linking participants' action-learning projects to 44 of OCP's already existing strategic initiatives, while addressing its need for new capabilities, such as customer-centricity, and digital and collective intelligence. Participants alternated "off-the-job" academic learning with "on-the-job" action learning projects. (Figure 3).

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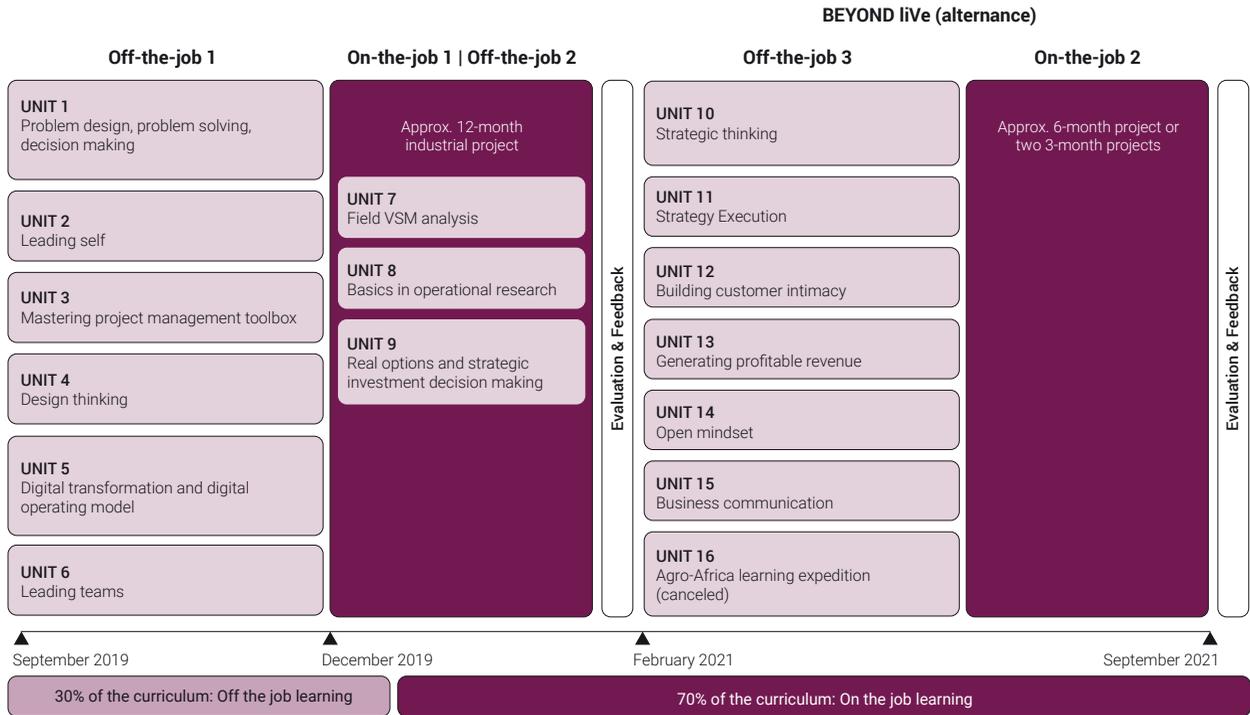


Fig 4: Beyond programme overview

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Orchestrating the transformation is above all a change in the mindset and learning philosophy of the Group, putting talent at the centre

Dr. Mostafa Terrab, Chairman and CEO, OCP Group



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Fig 5: On-the-job projects applied to 21 exploitation and 23 exploration initiatives

Participants began the programme with the first, six-week off-the job phase. They built up a foundation of academic learning in complex problem-solving, operational research, project management, digital transformation and leadership (Figure 4). Later modules exposed participants to theory and tools focused on exploring new products, markets and business models.

On-the-job assignments were interwoven throughout the programme. During these phases, groups of two or three participants were assigned to projects related to OCP's already-existing strategic initiatives. The first phase focused on 21 exploitation-related initiatives, enabling participants to develop a deep understanding of the company's products and production processes. In contrast, the second phase concentrated on 23 exploration-related initiatives (Figure 5).

On-the-job projects were sponsored by high-level OCP executives; participants were supported by business coaches throughout the projects. During these learning journeys, they applied frameworks, project management techniques and their insights to solve OCP's industrial challenges by: scoping the projects, defining objectives and governance structures; applying problem-solving methods to define the problem, explore different stakeholders' perspectives and generate hypotheses on how to address the problem; synthesising their insights into recommendations; and, finally, presenting to initiative sponsors. The business coaches also provided individual and group feedback (Figure 6). The projects offered valuable, practical experience that complemented academic learning, while developing the leadership skills, teamwork, managerial tools and the behaviours and attitudes needed by OCP's future leaders. They culminated in a set of project-specific recommendations to improve OCP's performance and competitiveness.

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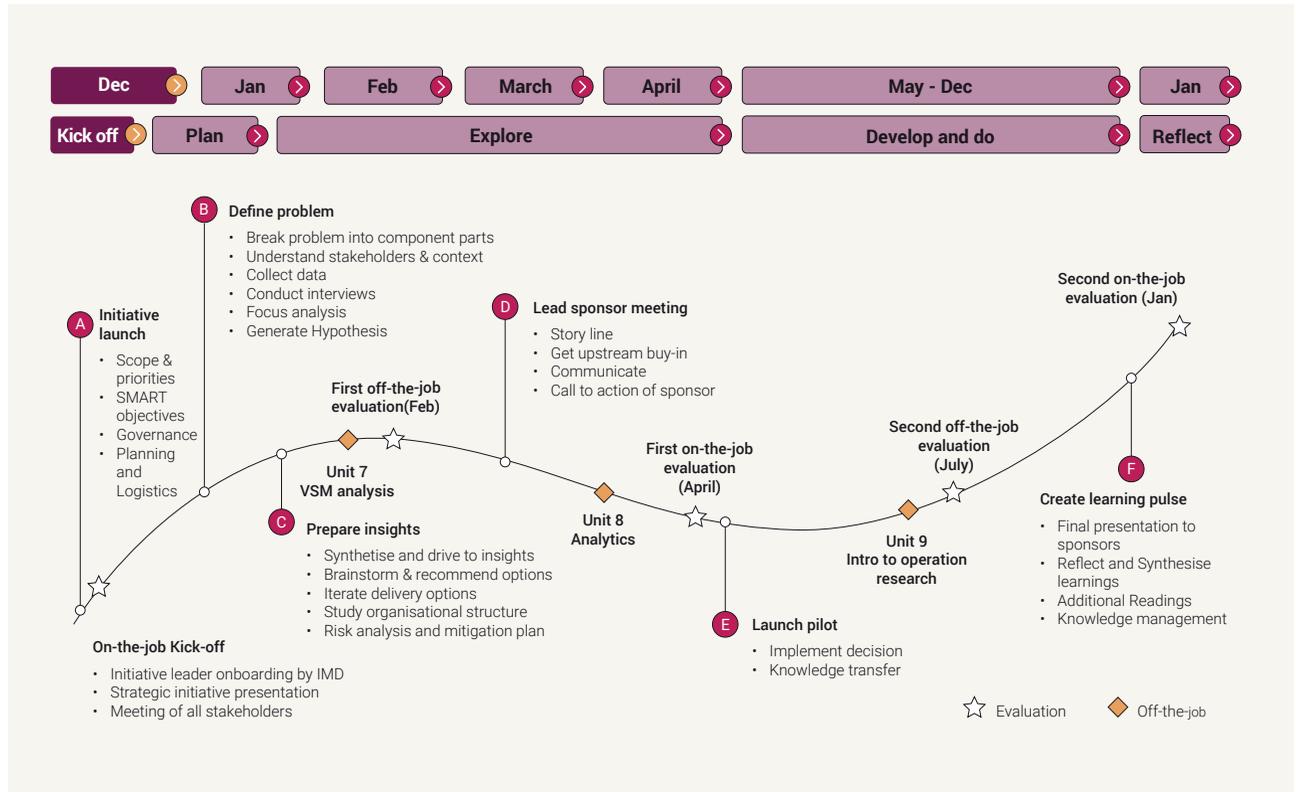


Fig 6: On-the-job learning journey

To drive high impact

Beyond’s impact on participants, OCP’s business and its organisation was so significant that OCP not only launched a second cohort but also created a separate programme – Learnin’Pact (launched in 2022) – to mainstream Beyond’s pedagogical approach to all OCP employees.

Beyond participants spent some 500 hours on face-to-face, online and extracurricular learning activities; they were assessed throughout the journey on both acquired competencies and individual leadership behaviours shown throughout the on-the-job projects to deepen the link between theory and practice. This helped participants understand group dynamics, their own strengths and weaknesses, and the required mindset and capabilities needed to further contribute to OCP as future leaders and change agents.

Business impact

Thanks to Beyond, OCP helped accelerate progress on 44 of OCP’s strategic initiatives, as well as the codification and transfer of how OCP functioned (Table 1). For example, their contribution to the transformational programme for Industrial Operations was critical in cutting operating expenses by 16% and increasing production capacity by some 10%.

Organisational impact

After 18 months, OCP circled back to its original ambition to provide a programme for a wider group and decided to extend the concept of interweaving academic and action learning to the entire organisation. As a result, ABS, IMD and OCP co-created an innovative, online programme, Learnin’Pact, that was launched in



Strategic Initiative Name	Description	Key Impact Measures
Stock to port transformation wave	Improve Industrial Operation's cost & capabilities	Increased: <ul style="list-style-type: none"> • Loading capacity • Speed
Fertiliser cost wave (2 teams)	Reduce the cost price of fertilisers	Decreased expenses compared to 2019 base
PAP cost wave	Optimisation of Water and water vapor consumption Optimisation of phosphate and sulfuric acid	Decreased cost of goods sold
Sulfuric acid cost wave	Identify the root causes of the imbalance of sulfuric acid production and optimize capacities	Increase in the daily production capacity
Benguerir mining cost reduction	Consolidate on going cost reduction initiatives and identify new ones	Annualized gains
Khouribga mining cost reduction (2 teams)	Reduce mine operational expenses of Khouribga, the largest phosphate mine in the world	Reduced washing and drying plant Focusing on reducing 4 main costs of extraction: <ul style="list-style-type: none"> • Gazoil • Spare parts • Explosive and • Tires
Optimisation of energy and water	Improve energy and water resource management	Energy savings Decreased water cost
Gantour logistic expenses rationalization	Increase flexibility of the value chain to better meet increasing customer demand in terms of volume and quality while optimizing the transport cost	Reduced operating expense Instilled cost culture in the field
Industrial standardization	Understand the impact of industrial standardization and what is the best strategy for OCP	The financial results of industrial standardization implementation confirm the opportunity for OCP to go forward with savings on project duration, engineering cost and failure and warranty costs
Fluorine valorization	Build a Common vision about AHF production within OCP Devise a go-to-market strategy Draft the roadmap for AHF production	Performed market dynamic analysis on three axes : climate, customers and competitors Financial performance is encouraging and a new structure has been created

Table 1: Examples of key impact measures on OCP's exploitation strategic initiatives

early 2022. The innovative new programme offered all employees the possibility to build capabilities and contribute to OCP's transformation. Beyond also spurred a fundamental change in OCP's human resources, which evolved from a functional organisation to being business partners advising on learning. HR now promotes lifelong learning, connects with the ecosystem, manages the pipeline of contributions to strategic initiatives, identifies developmental opportunities, analyses learning needs and sources new development content from UM6P or other partners. Managers encourage and support employees in their development while translating the group strategic priorities into specific initiatives for their department.

National impact

Beyond contributed to Morocco's brain drain reversal by bringing 21 qualified Moroccans back into the country. It also helped accelerate the development of ABS. Its innovative pedagogy – the mix of action and academic learning – is currently being applied in a number of degree, certificate and doctoral programmes. Finally, it gave ABS the opportunity to experiment with implementing a partnership approach, interweaving theory with on-the-job action learning and using business coaches.

In more than two decades of executive education, I have not seen a learning design with such a wide impact. It affects not only individuals, but the entire organisation as well as the community. This is a realisation of IMD's purpose to develop leaders who transform organisations and contribute to society.

Bettina Büchel, IMD Professor of Strategy and Organisation