

Excellence in Practice 2022



Randstad / London Business School

The power of experimentation in driving organisational transformation

How can a company make the goal of organisational transformation a reality? Randstad, a company in the recruitment and staffing industry with 38,000 employees in 39 countries, can provide a unique response to this question based on its experience collaborating with London Business School.

Dating back to the 1960s, Randstad had built its reputation on trust and customer intimacy. This philosophy helped the company grow to become the global leader in the HR service industry. However, in recent years, the human resources space experienced significant changes due to technological advances.

In 2016, Randstad acquired Monster.com, a company that provides sophisticated recruitment and talent management capabilities. The acquisition underscored Randstad's need to rapidly accelerate, embrace digital disruption and adopt new ways of operating. During that time Randstad CEO Jacques van den Broek and the company's executive board introduced a new strategy called "Tech and Touch" and aligned on the goal to be number one worldwide in the industry.

This strategy embraces the full benefits of new technology without eroding a business model that greatly depends on personal relationships. To make the desired outcomes of the strategy possible, organisational transformation was required, involving:

In response to this, the executive team knew that a unique learning initiative was required.

"A big challenge for a decentralised company like Randstad is to get everyone on the same page," said van den Broek. "If you don't have your basics in order, it doesn't make sense to innovate."

Partnering to Create a Unique Learning Journey

Jos Schut, Randstad's Chief Human Resources Officer, and his colleagues were responsible for introducing a learning experience that aligned to the desired behaviours required for Tech and Touch.

Randstad and LBS had a strong relationship that had developed over time. In 2016, Schut and LBS Senior Client Director Linda Irwin engaged in conversations on how a potential learning initiative could bring about the desired organisational transformation at Randstad. Months later, an RFP was launched and Schut met with several business schools. The conversations with LBS stood out. It quickly became clear that LBS and Randstad should partner together.

"This wasn't just a transactional response to an RFP," explained Irwin. "It was based on a strong relationship built over time that enabled LBS to understand the challenges, culture and context at Randstad."



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Irwin carefully curated a cohesive faculty team that aligned to the company's ambitious goals. From the outset, LBS and Randstad discussed a holistic focus on spanning new knowledge, mindsets and behaviours. Randstad expressed the importance of learning in the flow of work. In response, the LBS design team proposed a focus on positive psychology and experimentation to approach business challenges and opportunities.

Both parties aligned on the Transformational Leadership Programme (TLP), a nine-month experience launched in 2017 for senior leaders, designed to unleash organisational transformation at Randstad. It began with an inspiring launch to engage the senior leaders, with the CEO setting the strategic imperative for change and issuing a robust call to action.

After the week-long module at LBS, participants returned to their home countries and continued to work in teams to select one key experiment they would explore. TLP eventually culminated with experiment presentations at Randstad's headquarters in Amsterdam.

The executive team provided feedback and engaged in a dialogue during this event and then followed up after several months to ensure that the participants' key actionable insights were being cascaded and embedded into markets and functions. See below for more details on the learning journey:

"We aimed for Randstad leaders to share their learning with others as part of the experiment experience and for that learning to be diffused across the organisation," said Schut.

Each market brought its managing director and this person's two direct reports. After the programme, these individuals shared the key insights with their teams. While this approach was impactful, it became apparent that the cascade process for a global company like Randstad needed to be accelerated.



PHOTO COURTESY RANDSTAD / LONDON BUSINESS SCHOOL



Fig 1



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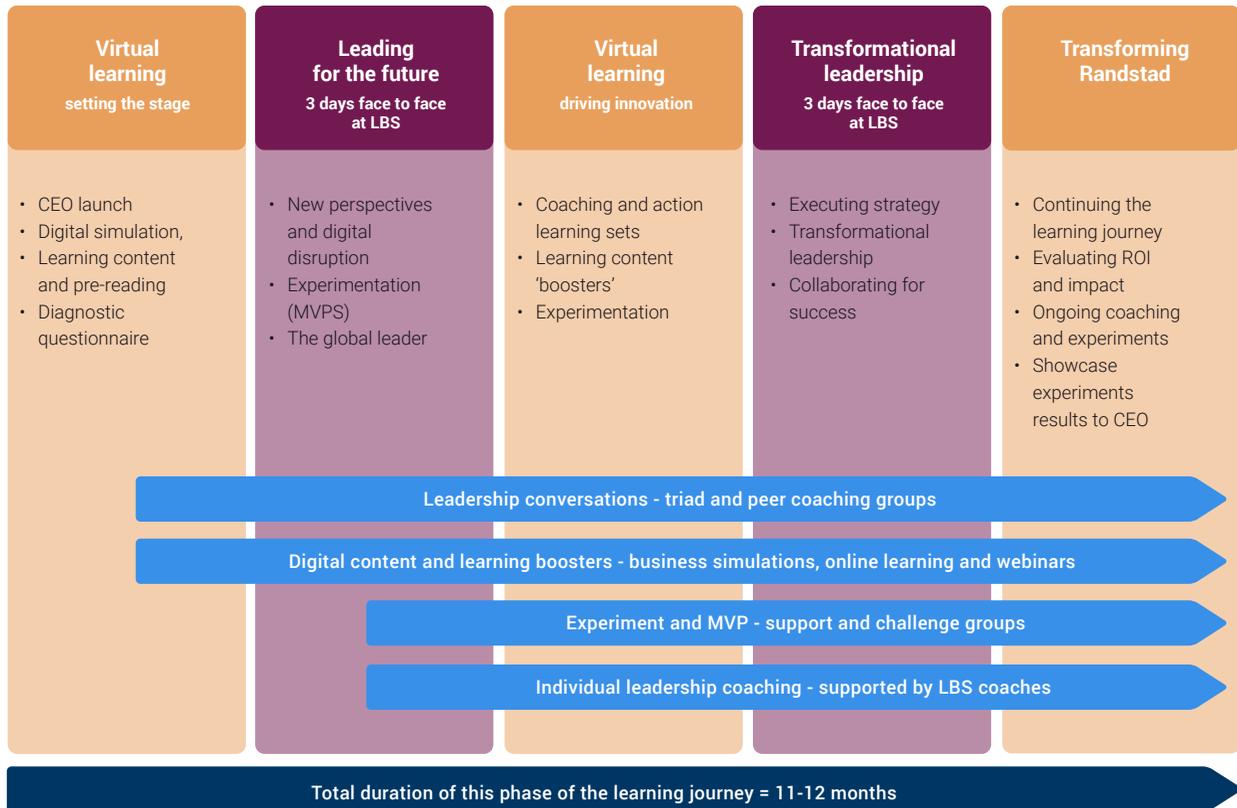


Fig 2

5000

over 60 groups and more than 2,500 participants have taken part since 2018. An estimated 5,000 individuals will have experienced LTDA by 2023

Thus, in 2018, LBS and Randstad worked together to launch Leading Transformation in the Digital Age (LTDA), a new digital version of the initial TLP experience. Its aim being to reinforce the behaviours associated with this new culture of agility, innovation and collaboration. LTDA enables TLP alumni to spread the messages of innovation and experimentation at a local level across a wider population of employees. TLP alumni played the role of mentors, facilitators, guides, sponsors and coaches. The learning journey is outlined in the graphic to the left.

LTDA launched in 2018, some 18 months prior to the onset of COVID-19. Randstad and LBS were already well ahead of the curve in the pivot to online learning.

Experimentation is a focus of the LTDA participant experience as well as a behaviour exhibited by the programme design team. As a result, over 60 groups and more than 2,500 participants have taken part since 2018. An estimated 5,000 individuals will have experienced LTDA by 2023.

“We had to experiment to find the right approach that would account for different market conditions,” said Howard Viney, LTDA Programme Director. “We agreed to run much smaller cohorts to be flexible and reflect the needs of each community. Content was adapted to the level of the audience, thus reaching a wider group across the whole organisation.”

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Fig 3

**Impact**

As a result of the learning initiative, there has been a demonstrable sustainable impact. Key financial results have been achieved. Randstad has moved up to #1 in the industry, increased win rates and received validation from financial analysts during Capital Markets Day March 2021.

The following is a snapshot highlighting some of the impact generated from the experiments.

Randstad and London Business School co-created a common language of leadership and a radical shift away from a top-down, hierarchical managerial style. Leaders now focus on elevating the performance of their people through engagement and empowerment and creating a culture of curiosity and



No.1

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collaboration to drive performance. One of many examples of this is Randstad Sourceright (one of the company's large global businesses). The executive team that went through LTDA in 2020 was inspired to recast the way Sourceright's strategy would be developed. The organisation at large was brought into the process. As a result, there was:

- Establishment of a common language
- Engagement scores rose considerably especially in the empowerment category
- 2022 Voted Best Place to Work for first time by Glassdoor
- 2021 Best financial results 65% over target
- 2021 Best revenue increase of 153% year on year

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“Overall in our organisation we established a common language for change and this gave us an opportunity to clarify and articulate why digital transformation is needed and what it entailed,” said Renate Deken, Randstad Global Head of Learning and Development. “LBS supported us in the ‘how’ of digital transformation, introducing a new language of change. The impact was tremendous on an organisational and individual leadership level. It contributed to having value-driven client conversations.”

Fostering a culture of experimentation, agility, innovation and collaboration has directly impacted business outcomes. For example, Paul Dupuis took part in TLP in 2018 when he was the Managing Director of Randstad India. He shared: “I can say with confidence that the remarkable transformation of Randstad India from a lagging, loss-making operating company into a top performer came directly as a result of the learning and actions born from TLP and LTDA. The title says it all – transformation. It was transformative for me as a leader and has been a game-changer for our company!”

“The programme has provided inspiration around reinventing ourselves,” concluded van den Broek. “The more you take people through such an experience, it becomes a vein that runs through the business.”

Through its Executive Education offerings, London Business School provides transformative learning journeys for ambitious individuals and organisations across the globe.

By serving as a trusted human partner in today’s technology-driven world of talent, Randstad helps people secure rewarding jobs and stay relevant in the ever-changing workplace.



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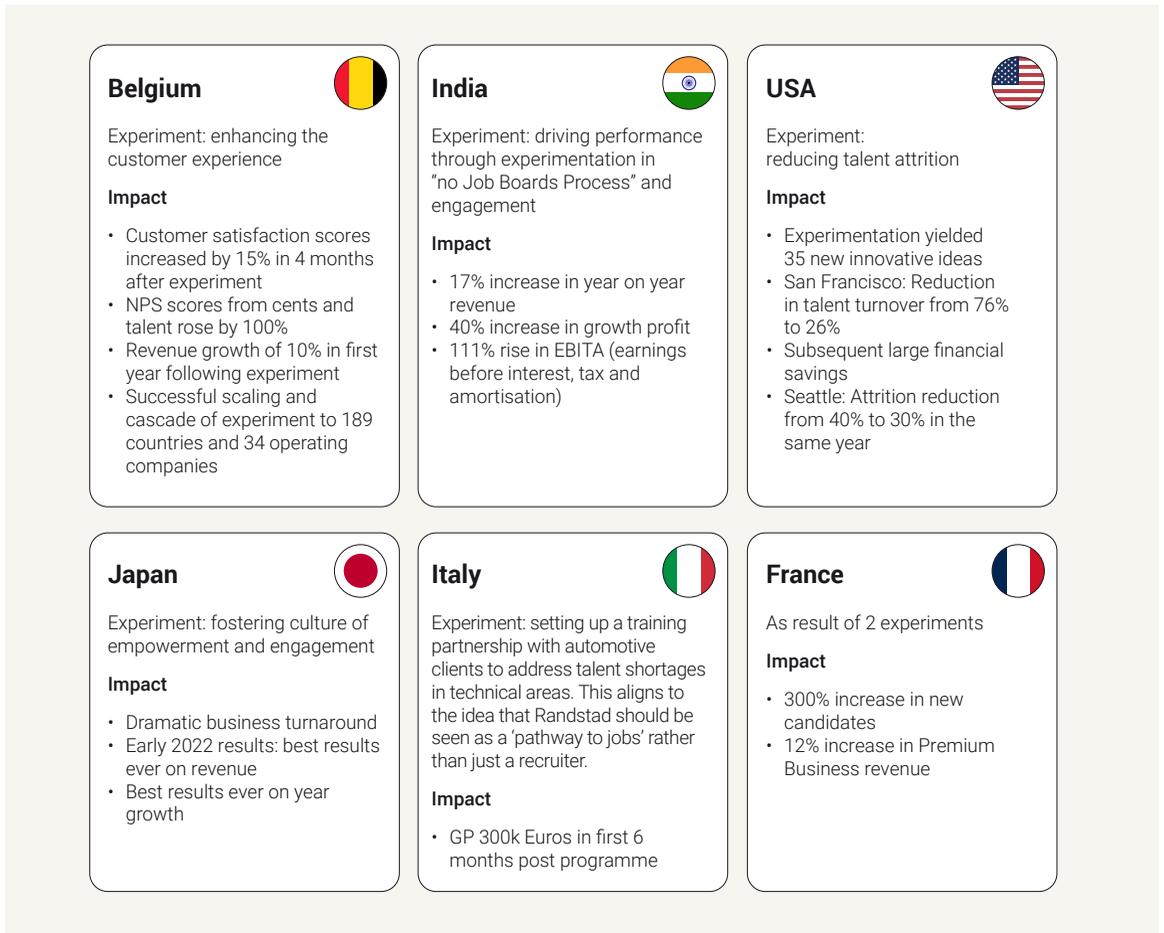


Fig 4

