"You tell customers what makes you great. Do your employees know?" (Mitchell, 2002)

Master Thesis Project

Optimizing internal branding: aligning internal communication with the corporate identity, with regard to the use of IC-tools

A Case study of Royal Wessanen nv

Authenticity

Transparency

Sustainability

**B. Sc. Olga Golubova
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"Optimizing internal branding within an MNC: aligning internal communication with the corporate identity, with regard to the use of IC-tools"

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Executive summary

Introduction and objective

Internal communication is a major constituent in any organization, and it can actually be seen as the lifeblood of the organization. Within this scope, internal branding is considered to be a relatively new approach which assists companies to focus on the organizational vision and values, by collectively conveying and committing to the same corporate identity in order to promote and to make it live among all the stakeholders.

The purpose of this final thesis project by a graduate student of the department of Social and Behavioral Science, Communication Science, at the University of Twente, is to describe and explain how the internal branding and communication – the process of disseminating corporate identity – can become aligned between the Corporate Headquarter and subsidiaries within a Multinational Corporation (MNC), and how internal communication tools can contribute.

The case company, Royal Wessanen nv, has operations in Netherlands, Belgium, Germany, United Kingdom, France, Italy, North America & Canada and is, therefore, suitable to study when investigating the internal branding process of transmitting the corporate identity at an MNC.

In an MNC like Royal Wessanen, well-functioning internal branding and communication are vital, due to the fact that its units are widely dispersed across the world. As the case company's subsidiaries are using a variety of internal communications means, it is key to align the use of these tools in order to forge unity and proliferate Wessanen's core values and business principles to all the subsidiaries.

Therefore the following research questions were pursued in this study:

Research questions
Main RQ   **How can internal branding and communication become more aligned within an MNC, and how can the IC-tools contribute to it?**

Sub-RQs	I.	How is the internal branding aligned amongst the subsidiaries, in gatekeepers' view, and what are their views on the current cross-company communication?
	II.	What role do the RW subsidiaries' cultures play in the alignment of internal branding and communication?
	III.	What role do the gatekeepers assign to the IC-tools and how should they be (re)shaped in order to reach the end-objective of creating an IC platform and enhancing the sense of community, commitment and company pride?

Method

An academic literature review was conducted based on these research questions, which resulted in a conceptual framework that supported the data collection. A qualitative multiple case-study research approach was applied for this investigation, with the primary data collected from 18 in-depth telephone and face-to-face interviews with the key gatekeepers within the Wessanen communications framework, being Managing Directors, Human Resources and Communications managers at all Royal Wessanen's subsidiaries.

Key findings and recommendations

Evidence from the data collection phase of this project indicates that Wessanen's internal branding process is very complex. There are discrepancies between the desired corporate identity (corporate values and principles), as formulated by the HQ, and the ways in which the business principles promoted at the subsidiaries. In some cases, there is alignment of the corporate objectives and activities with local expectations, requirements and activities: the promotion materials such as 'business principles'-posters and 'value-boxes' are utilized at the most subsidiaries; introductions to the corporate identity were given, etc. However, as there are no continuously on-going programs provided by the HQ with regard to the promotion of corporate identity, these actions don't have a permanent impact on the employees, and due to the lack of interactive approach the values and principles tend to remain static concepts. This results in the development of local internal communications means by the subsidiaries, which have a more personal meaning to employees.

In addition, the findings indicate that the alignment of local and global corporate identities within an MNC is important for the development of internal branding; core

values and business principles are the fundamental aspects in the internal branding process. Effective and consistent internal communication of the corporate identity is vital for employee belief, commitment, motivation and building a strong organizational culture.

Therefore, internal communication activities must be iterative and continuous if they are deemed to be effective; furthermore, they should be connected to recruitment procedures, training, performance measurements, motivation and rewards, which are key to successful internal communication.

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Abbreviations in this report

Company-related		Theory-based	
BE	– Belgium	CVF	– Competing Values Framework
CC	– Corporate Communications	IC	– Internal Communication
CEO	– Chief Executive Officer	MRT	– Media Richness Theory
FR	– France	OCAI	– Organizational Culture Assessment Instrument
GER	– Germany	RQ	– Research Question
GM	– General Manager		
HQ	– Headquarters		
HR	– Human Resources		
IT	– Italy		
NA	– North America (US and Canada)		
MNC	– Multinational Corporation		
NL	– Netherlands		
OpCo	– Operating Company		
RW	– Royal Wessanen		
TOL	– Tree of Life		
UK	– United Kingdom		
VP	– Vice President		

Preface

This report describes the results of my graduation project carried out at the Corporate Communications department of Royal Wessanen in Utrecht and the University of Twente. This graduation project is the last phase of the Applied Communication Studies master's program within the tracks of Marketing and Corporate Communications.

Writing this master thesis has been very challenging, but interesting six months of work and co-operation. Therefore, I would like to thank my colleagues at Royal Wessanen and all of the interviewees at the subsidiaries for taking time to participate in this study and their willingness to provide me with a valuable insight into the workings of internal communication at an MNC. Especially, I want to express my gratitude to my supervisor, VP Corporate Communications Aletta van Stee, and Communications Officer Marloes Harkema for making this internship possible, for their continuous support during this project as well as their interest and efforts for my academic and practical work.

Furthermore I would like to thank my university supervisors, Prof. Dr. Robert de Hoog and Dr. Menno de Jong for their support during this study. Their comments helped me to significantly improve the quality of this thesis.

I would like to thank my father, sister and Alex for understanding the time and effort that writing this thesis has taken.

Hereby I present the findings of this academic challenge. I hope you will enjoy it and find it to be valuable. I certainly did.

Olga Golubova,
2009, Utrecht

I. Introduction

In this chapter the background of the final thesis project along with the case company are presented. Furthermore, the problem focus is described by means of the main problem and the research questions, as well as the purpose of this study. Moreover, the structure of the study along with a brief presentation of the chapters is presented in order to give an overview of the thesis.

1.1 Background

"The whole is more than the sum of its parts". This famous Aristotle quote serves as a strategic imperative for multinational corporations (hereafter called MNCs) because the corporate headquarter must ensure that their business units are collectively more successful than if they were acting individually (Wunder, 2005).

An MNC with operations in different national settings has dispersed assets and resources, as well as global roles and responsibilities. Consequently, it creates interdependencies between subsidiaries that highlight the increasingly important role played by internal communication (Gupta & Govindarajan, 2000).

Internal communication can be defined as everything that a company does to build awareness, understanding, commitment and alignment to the overall goals and objectives of the company; it's about everything a company does to build employee awareness and understanding which leads to an ability to live the behaviors associated with the corporate strategy, principles and values (Borsese et al., 2003).

Several recent studies have stressed the increasing and prevailing importance of internal communication in organizations (Borsese, McDowall & Andrade, 2003; WatsonWyatt.com, 2004), and especially in an MNC (Kalla, 2006; Melcrum.com, 2007).

1.1.1   Impetus for research

Despite the comprehensive research in social science on internal communication within MNCs with regard to the social capital (Kalla, 2006), little attention has been paid to how the corporate principles and values through the use of internal communication tools (hereafter called IC-tools) can affect employees' commitment and pride with regard to

the MNC. In academic literature this process is being referred to as corporate – or internal – branding (Hatch & Schultz, 2003; Vallaster, 2004; Belasen, 2007). This term has been introduced to define the process of expressing the organizational principles and values through both tangible and intangible assets. Hatch and Schultz (2003) state that internal branding is based on recognizable values and symbols and is used to create a sense of 'belonging' to the organization and strengthen the 'bonding' of the employees.

As the literature about internal branding is quite limited so far, in order to establish a sound academic basis, other related subject matters were also studied such as internal communication, corporate identity and culture. According to Balmer and Gray (2003), corporate identity is strongly linked to or transformed into internal branding, because it encompasses the company's values and principles.

Therefore, this study aims at addressing internal branding by empirically researching how the corporate identity is transferred by sharing the business principles, values and pride among the employees of an MNC across all its subsidiaries. Moreover, this thesis contributes to the investigation of this issue with regard to the use of IC-tools, which are utterly essential to the internal branding process at an MNC.

1.2   The case MNC

This section discusses the final thesis project on internal branding and communication at the case MNC – Royal Wessanen. First, an introduction to Wessanen is given. Then the motive of this study, namely corporate communication problems, and the objective of the study will be presented. Next, the research question, importance and structure of the study are discussed.

1.2.1   Description of Royal Wessanen

Royal Wessanen is a multinational food corporation that operates several independent subsidiaries, each aiming at their own target markets. These divisions are dispersed across national borders and are largely self-supporting in purchasing, production, marketing and sales, but are all under the corporate umbrella of Royal Wessanen nv, based in the Netherlands.

This "corporate umbrella" or holding also manages and implements the central communication strategy. Tasks such as human resource development, recruitment and financial and legal matters are also managed from the central HQ. The subsidiaries comply with a number of quantitative norms and regulations from Royal Wessanen nv, that have to do with production, turnover and revenue.

Wessanen has subsidiaries in The Netherlands, Belgium, Germany, United Kingdom, France, Italy, the USA and Canada. These subsidiaries hold the following responsibilities:

- Marketing of one or more own brands or exclusive brands that are produced by suppliers or partners;
- An (exclusive) distribution function to the retail market;
- Plants that produce one or more own brands;
- Or a combination of the above.

For example, Wessanen Netherlands is the Dutch subsidiary that produces its own brand Beckers, manages outsourced production of the owned brands Zonnatura and Merza, and exclusively distributes the brand Patak's.

1.2.2 Company profile and history

Royal Wessanen nv is a well-established multinational corporation with a long heritage in the food production, trading and distribution business based in the Netherlands, which operates in European and North American markets.

In the past, Wessanen's image has regularly been influenced by negative publicity. An unsuccessful merger and an unclear strategy have damaged the trust in Wessanen's management and have led to some criticism in the media. The problematic relationship with the media had made Wessanen reserved and defensive. However, there have been changes in the past few years and the reputation with its external stakeholders has been somewhat restored (Annual Report 2007).

In recent years, the company has been redesigned, restructured and rebuilt to create a highly efficient and cost-effective method of getting their products to marketplaces, using state-of-the-art logistics and marketing techniques. Wessanen specializes in identifying, developing and distributing premium foods that are authentic and true to

their origins. Their brands and products are focused on two sectors: Health foods, most notably natural and organic foods, and Premium Taste or gourmet foods, including ethnic specialties from around the world (appendixes 1a & b "Overview of Wessanen's subsidiaries and brands", 2007).

1.2.3   Organizational structure

The head office of Royal Wessanen is located in Utrecht. Here a number of corporate functions are executed. Subsidiary activities are first divided into European and US activities. Secondly, a division by product group (Health and Premium Taste or Health Food Stores) for Europe and product handling (Branded or Distribution) for America is made.

Only five years ago, in 2003, a new Executive Board was installed and a new strategy for Royal Wessanen was defined. In 2006, the Corporate Headquarter moved from Amstelveen to Utrecht and the structure of subsidiaries was renewed. For example, all Health and Premium Taste activities in the Netherlands were absorbed by Wessanen Netherlands bv and all Health Food store activities for the Benelux were joined in the subsidiary Natudis.

Figure 1 on the next page shows the organizational chart of Royal Wessanen nv.

Figure 1 – Organizational chart of Royal Wessanen nv
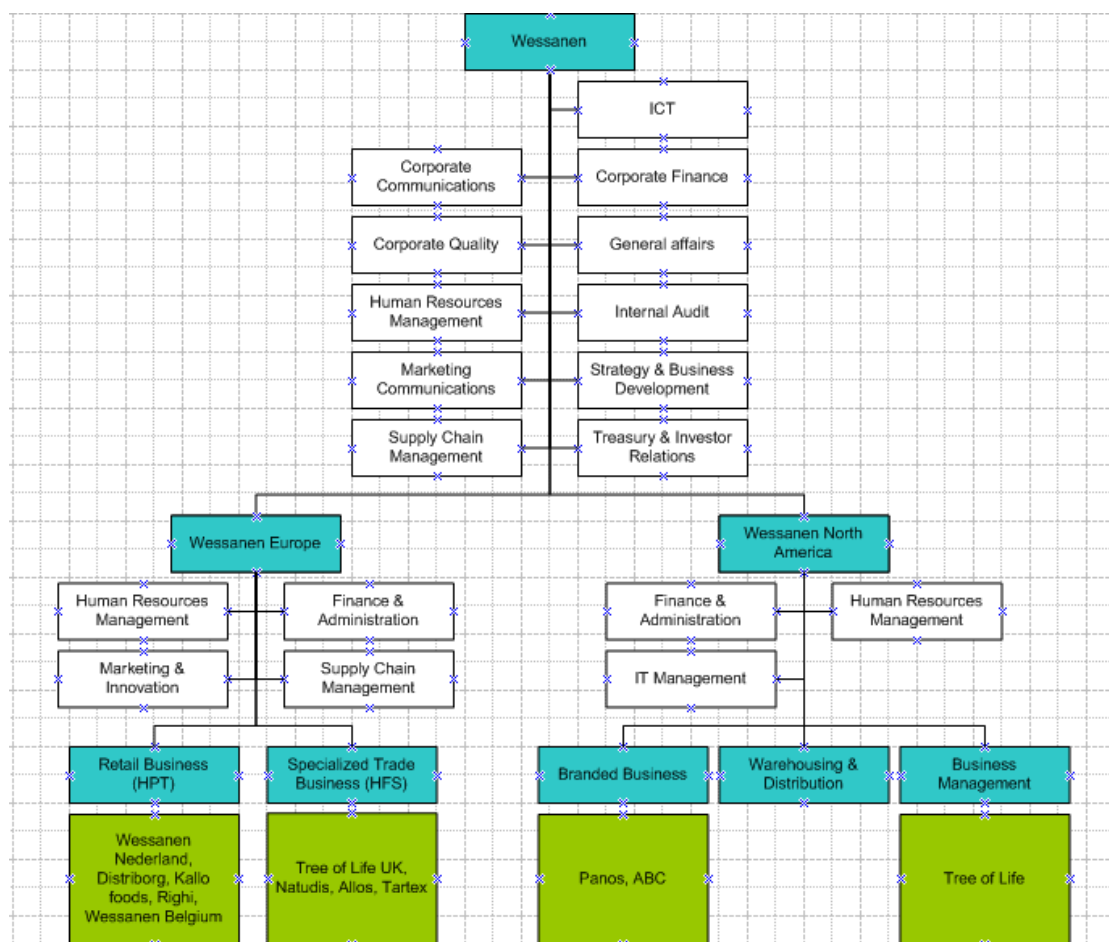
1.2.4 Corporate values and principles

At Wessanen, the Corporate Communications department (hereafter called CC) has formulated the current mission statement: ***"Wessanen will be the leading transatlantic company for branded authentic Health and Premium Taste foods."***

It is their focus on authentic Health and Premium Taste foods that differentiates Wessanen from competitors in the food industry. In fact, Wessanen promises its stakeholders (consumers, business partners, employees, shareholders and the like) that their products are authentic and true to their heritage and sources. It is this promise that lies at the heart of their business.

In line with its mission statement, Wessanen re-considered the corporate identity and formulated their organizational *core values* – the standards to which the employees must adhere as they strive to fulfill common strategic objectives.

Wessanen's core values are:

- **Ownership**: act as if the company is yours and take responsibility for your actions and behaviour.
- **Winning**: be committed to continuous improvement and strive for excellence.
- **Authenticity**: be honest, respectful and sincere towards your customers, your colleagues, society and the planet.
- **Entrepreneurship**: create and act on opportunities to improve the business.

In order to live up to these values, Wessanen has identified three core *business principles*. Wessanen's Principles describe the responsibilities and commitment to their stakeholders. They govern Wessanen's relationships, and help in translating their mission statement and core values into concrete actions and attitudes. They also set the expectations of the outside world towards their company.

These principles are summarized in three concepts: **Authenticity, Transparency and Sustainability.**

Translating these three principles into daily operations entails that efforts are targeted at creating *transparency* with regard to the supply chain, from source to end product. This means that all ingredients used in the products need to be *authentic* (genuine with regard to heritage and source) and the entire production and distribution process needs to be *sustainable*, socially responsible and environmentally sound.

To uphold these principles, Wessanen needs capable, motivated and dedicated employees – people who identify with the company and its business philosophy.

Wessanen believes that their workforce should possess – or be driven by – a particular set of skills and ambition. "*This approach includes every employee carrying the main company values and business principles, which are also the ones that are communicated to the customers*" (Code of Conduct, Royal Wessanen nv).

1.3 Problem outline

The prevailing core values and business principles represent the heart of the company culture and should underlie the corporate conduct of all Wessanen businesses as well as the fundamental behavior of all Wessanen employees.

Due to Wessanen's emphasis on external communication and reputation management during the past five years, internal communication has been neglected. However, as it is a very important factor in organizational communication, it deserves closer attention.

Currently, the majority of internal communications is generally a local affair and is executed by a variety of key players (communication managers, but also HR or marketing professionals), each using their own communication tools. Internal newsletters, "all-staff" e-mails, local intranets, global intranet are being used both structured and unstructured and very little cross-company communication with the help of the available IC-tools occurs.

Moreover, there is little interaction between employees in the various subsidiaries / operating companies (hereafter called OpCo's). Only at top management meetings (WIN = Wessanen International Network of the top 60 senior management) and within a few specific disciplines there is a regular contact between subsidiaries. This contact is often limited due to cultural and operational diversities between subsidiaries (e.g. branded vs. distributional operations). There is also a moderate to low level of contact between the Dutch companies, even less between the European countries and little or none between the two continents. Furthermore, while knowledge about the activities and expertise of colleagues abroad remains incomplete, people are refraining from seeking such contact, except at senior management level.

Hence, the conclusion is that internal communication is not yet aligned across Wessanen's subsidiaries and inconsistencies still occur on a regular basis.

1.3.1 Research questions

Wessanen's desired corporate identity is composed of core values (ownership, winning, authenticity and entrepreneurship) and business principles (authenticity, sustainability and transparency), where the emphasis clearly lies on the business principles (Annual Report 2007). The CC would therefore like to employ this desired corporate identity to foster pride, boost the community feeling and the awareness of belonging to the Wessanen Group, among all employees. This depicts the desired internal branding process at RW.

Since the use of IC-tools is not yet consistent across Wessanen OpCo's, this thesis project will also address the use of various communication media among the subsidiaries and their contribution to the internal branding process will be investigated.

Set against the background provided above, the aim of this study is to investigate the following research questions (RQs) by means of interviewing key communications representatives (gatekeepers) at the Wessanen subsidiaries:

Table 1 - Overview of the research questions

Research questions	
Main RQ	**How can internal branding and communication become more aligned within an MNC, and how can the IC-tools contribute to it?**
Sub-RQs	I. How is the internal branding aligned amongst the subsidiaries, in gatekeepers' view, and what are their views on the current cross-company communication? II. What role do the RW subsidiaries' cultures play in the alignment of internal branding and communication? III. What role do the gatekeepers assign to the IC-tools and how should they be (re)shaped in order to reach the end-objective of creating an IC platform and enhancing the sense of community, commitment and company pride?

1.3.2 Importance

The RQs attempt to enhance Wessanen CC managers' in-depth understanding of the alignment of internal communication (tools) in an MNC with a global audience and different national and organizational cultures.

For instance, the main RQ is concerned with the internal branding process: since Wessanen's desired corporate identity is composed of business principles and core

values, it is interesting to investigate to what extent they are transferred to and "live" across the subsidiaries and whether they help to enhance the feeling of togetherness at Wessanen. In other words, the main RQ aims at investigating how the Wessanen-mindedness can spill over to all the subsidiaries, and how the IC-tools can best be employed to achieve that in the gatekeepers' view.

Furthermore, it is of great value to relate those findings to insights into the use of the current IC-tools across Wessanen's subsidiaries. Wessanen's CC management would like to align the use of IC-tools, so that at every subsidiary the gatekeepers could exchange and share interesting and useful information with each other, thereby creating awareness and emotional bonding with the MNC and among the operating companies. This could lead to more effective internal communication and forge a sense of community and help increase identification and pride with Royal Wessanen, through common values and principles.

The objective is to guide the CC management by exploring the potential contribution of IC-tools to aligning the internal communication and branding process, by creating a platform for sharing cross-company messages, so that every operating company could exchange and communicate interesting and useful information. In order to have as many employees worldwide as possible carrying Wessanen's core values and business principles, a solid foundation is pursued by embedding the messages in a Wessanen-wide cross-company IC-platform.

Therefore, RQIII is concerned with generating data about IC-tools' – in particular the global corporate intranet's – contribution to aligning the internal branding process.

The intended output from this research should be concrete recommendations for how to create a Wessanen-wide internal communications platform, which will serve to share (non)-identity-related company messages among employees worldwide.

Eventually, the scientific aim will be contributing to science by knowledge about aligning the internal branding process and improving consistency in the internal communication by embedding the desired corporate identity across the MNC's global audience with different national cultures by means of IC-tools.

Although knowledge management and information sharing are also very important aspects that provide a foundation for competitive advantage (Bouwman, Van Dijk, Van

den Hooff, Van de Wijngaert, 2002) they do not belong to the primary scope of this project.

In addition, to avoid future confusion, it has to be mentioned that in this study the terms IC-tools, channels and media all refer to the same concept. It will not be further discussed in detail, as it seems not to be a concern of Corporate Communications.

1.4 Structure of the thesis

The thesis is divided into five main chapters, which are introduced below:

Chapter I: INTRODUCTION

This first chapter of the thesis was devoted to giving an introduction to the research area in which this study has been chosen to be conducted. Therefore, the background to the main problem, along with a detailed presentation of the case MNC, and the research question that will act as a guideline throughout this thesis were presented.

Chapter II: THEORETICAL FRAMEWORK

The second chapter presents the main theories that were studied in order to have a conceptual basis from which to conduct the empirical study. Furthermore, the conceptual model is presented in this chapter.

Chapter III: RESEACH DESIGN

In the third chapter, the research approach, method and design are presented with a description of how the study has been conducted along with an argumentation regarding the quality of the study.

Chapter IV: RESULTS

This chapter is devoted to answering the research questions and presenting a process model, based on the empirical data, on optimizing the internal branding within an MNC: aligning internal communication with the corporate identity, with regard to the use of IC-tools.

Chapter V: CONCLUSIONS & DISCUSSION

Whereas the data analysis is dealing with the research questions, this chapter is devoted to the managerial implications and recommendations that this study revealed. The second part of this chapter is also devoted to discussion and reflection.

II. Theoretical framework

Studying the literature regarding internal communication shows that during the past years the topic is gaining more and more attention from researchers and practitioners. Throughout the 80's and 90's of the past century, the main focus was on trying to define internal communication and how it should be positioned within an organization. The available literature also shows several issues regarding internal communication that receive more and more attention. Such topics are, for example, internal branding, corporate identity and culture.

In the following sections theoretical perspectives on topics relevant for internal communication and for the scope of this research are going to be presented.

2.1 Internal communication

Internal communication is an increasingly powerful tool for organizations. It encompasses how an organization defines itself and the value of being an employee within it; it encompasses the communication between employees or departments across all levels or divisions of an organization; it is a form of corporate communication and can be formal or informal, upward, downward, or horizontal; it can take various forms such as team briefing, interviewing, employee or works councils, meetings, memos, an intranet, newsletters, the grapevine, and reports (Van Riel, 1996).

One of the most important messages that internal communication should deliver is to create and define the company's values and beliefs to the employees who will thus have a clearer sense of what it means to be a member / employee of the organization (Belasen, 2007). As shown by empirical research by Vallaster (2004), employees are evidently happier in an organization with strong internal communication.

Borsese et al, (2003) define internal communications' importance as follows:
"There is a need to build and retain a permanent relationship between managers and employees, in order to create awareness among the internal stakeholders of their actions' impact on the environment and their quality".

Creating awareness and building relationships with internal stakeholders implies communicating company values and principles to them. Therefore, the next section goes deeper into these aspects, comprising not just the concept of internal communication, but the related concept – internal branding.

2.2 Internal branding

Internal branding is undoubtedly one of the hot business stories of our day; the importance of and the need for internal branding has been discovered by the organizations quite recently. Plus, internal branding is regarded more and more as a cost-efficient way to motivate employees on the way to optimize sales and performance (WatsonWyatt.com, 2004). When looking at corporate branding, many practitioners agree upon the fact that too much attention is spent developing and implementing external messages and customer-facing touch-points, without an equal emphasis on the internal customer. Mitchell (2002:99): "*You tell customers what makes you great. Do your employees know*?" In many ways employees are the brand and should be treated as a priority audience.

The core objective of internal branding is transferring the desired corporate identity to the employees with the end-goal of enhancing their motivation and engagement (Vallaster, 2004). In case of an MNC this would mean that the Corporate Communications department's goals and objectives need to be aligned with the subsidiaries' expectations, requirements and activities. Moreover, regarding the concept of internal branding, this seems in the literature to occur under a variety of names. Some authors refer to the concept of internal branding as *employee branding* (Mitchell, 2002). This approach includes every employee carrying the main company values and business principles (Balmer and Gray, 2003; Belasen, 2007), which are also the same ones that are communicated to the customers.

In order to develop strong internal branding with a reputable corporate identity, the core values, principles and the corporate brand story need to be conveyed to the staff. A corporate brand has been described as the immediate mental picture that audiences have of an organization (Balmer and Gray, 2003; Harris and De Chernatony, 2001). Corporate identity, as a similar concept, may be used to differentiate a company from its competitors, based on strengths, corporate culture, corporate style, future direction, and CEO reputation (Balmer and Gray, 2003; Van Riel and Fombrun, 2007).

Moreover, Van Riel and Fombrun (2007), state that corporate identity conveys the core message that evokes emotional appeal. It includes feelings of trust, respect, pride and liking among key stakeholder groups. Furthermore, the main advantage of a strong

corporate identity is enhancing motivation-effect on the employees: it creates in-group identification, a community-feeling of being part of an organization. Research of Ashforth & Mael (1989) has shown that a strong corporate identity can raise employees' motivation and commitment. Employees who identify strongly with their organization are more likely to show a supportive attitude towards it and are also more likely to support a corporate branding strategy. Hence, people may feel proud of being part of a well-respected company, as it strengthens their feelings of self-worth to "bask in reflected glory" (Smids, Pruyn & Van Riel, 2001).

In accordance with that, Harris and De Chernatony (2001) stated that corporate identity's core values are to be easily recognized in successful organizations, understood explicitly and shared by all employees. Also, employees who accept core values have greater commitment and loyalty. Shared values and their constant and consistent communication improve participation, therefore creating a better commitment towards the brand and the company, and enhancing organizational performance. Harris and De Chernatony (2001) also state that certain core values should be adaptable to the dynamics of ever-changing business environment in order to maintain a competitive performance. Managers should therefore decide which core values are to be kept and which are to be changed so as to enhance performance.

All of the authors mentioned in this section recognize the importance of internal brand management as a process to align staff behavior with core corporate values, and agree that, as Mitchell (2002) suggests, "*by applying many of the principles of consumer advertising to internal communications, leaders can guide employees to a better understanding of, and even a passion for, the brand vision*" (p. 99). Vallaster (2004) declares that in order for employees to transmit the core values in all communications, they must understand and acknowledge what the brand represents.

Therefore, it can be concluded that for an internal branding process to be successful, employees, as the organizational identity carriers, have to know the core values and principles, need to believe them and act in accordance with them.

Another important aspect that is also related to the concepts of internal communication, internal branding and corporate identity – is corporate culture. The difference between corporate identity and culture is that organizational culture is not a

vision or value statement developed by a senior management group. Often there is a discrepancy between what an organization strives to achieve, and the beliefs and values actually displayed. The next section will highlight the theoretical basis of this concept in more detail.

2.3 Corporate culture

Cameron and Quinn (1999:14) define organizational culture as *"the taken-for-granted values, underlying assumptions, expectations, collective memories, and definitions present in an organization"*. Culture provides employees with a sense of identity and commitment to a set of values and beliefs, as described by Balmer and Greyser (2003); it also refers to how employees identify themselves with the organization through values, beliefs and assumptions of the company's historical roots and traditions. Thus communication is strongly interconnected with culture. Therefore, instilling corporate culture, values and beliefs in employees is vital for successful corporate communication. Belasen (2007) also states that culture provides employees with a sense of identity and commitment to a set of values and beliefs, which in turn create an atmosphere that encourages and seeks consistent alignment between employees' needs and organizational goals.

Overall, it can be said that a strong corporate culture has a positive impact on organizational performance and high employee satisfaction. Therefore, a clear understanding of culture is critical to long-term success. While often seen as intangible, culture is quite real and powerful (Cameron & Quinn, 1999).

In a heterogeneous organizational culture with distinctiveness in group values and practices between subsidiaries that often occurs within MNCs, social identity can be comprised of different loosely coupled identities. An individual's social identity may be derived not only from the organization, but also from his or her work group, department, business unit or a mother corporation as a whole (Ashforth & Mael, 1989).

Therefore, this heterogeneity and complexity of an MNC clash with the interdependency and receptiveness of corporate identity, which comprises many intangible characteristics, such as the culture of an organization and the behavior of its members (Balmer & Greyser, 2002).

Research done in this area clearly shows that at any given point in time a number of different subcultures exist in a business, especially in an MNC (Forssberg and Malm,

2001). Some of these can be in harmony with the main business culture, but others can be contradictory. It often occurs that in an MNC the business units are striving to retain and hold on to their own culture. A possible problem arises when the employees at the subsidiaries feel that they are too distant from the central corporate goals and are only concentrated on their local strategies. Forssberg and Malm (2001), state that this undermines the awareness, pride and identification with the mother-corporation.

The academic literature provides many tools for assessing corporate culture, but the most valuable one for the scope of this thesis was the theoretical framework of Cameron and Quinn (1999). It allows to get a clearer grip on the corporate culture in an MNC and to answer one of the research questions. The next section will describe this theoretical framework.

2.3.1   Assessing corporate culture

Cameron and Quinn have developed an organizational culture framework built upon a theoretical model called the "Competing Values Framework" (CVF), which refers to whether an organization has a predominant internal or external focus and whether it strives for flexibility and individuality or stability and control. The framework is also based on six organizational culture dimensions and four dominant culture types (i.e., clan, adhocracy, market, and hierarchy). Furthermore, Cameron and Quinn generated an "Organizational Culture Assessment Instrument" (figure 2), which is used to identify the organizational culture profile based on the core values, assumptions, interpretations, and approaches that characterize organizations.

Figure 2 – The Competing Values Framework for Organizational Culture Assessment
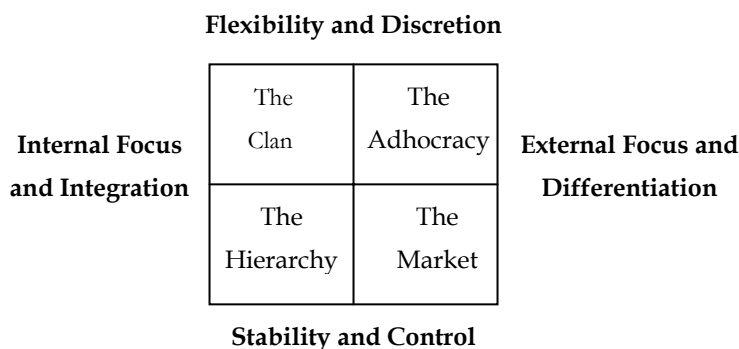
Source: Cameron & Quinn (1999)

The CVF presents a variety of managerial roles based on situational aspects when responding to competing tensions. The CVF displays four quadrants, each representing a different set of organizational effectiveness indicators: basic values, orientations, and assumptions. The quadrants consist of diagonal and opposing dimensions. These indicators represent what people value about the organization's performance. They define what the company's core values are in making judgments about organizational decisions. The four core values represent opposite or competing assumptions: Clan Culture (internal and flexible) vs. Market Culture (external and controlled); Adhocracy Culture (external and flexible) vs. Hierarchy Culture (internal and controlled).

Clan Culture Profile

In a Clan Culture the focus is on internal maintenance with flexibility. The organization is held together by loyalty and/or tradition and it is a friendly place to work with a concern for people and sensitivity to customers; and where great importance on cohesion and morale is placed.

Adhocracy Culture Profile

Adhocracy is a culture where the emphasis lies on creativity, individuality, flexibility and where being a service leader is important. The success is defined as gaining unique and new services and leaders are considered innovators and risk takers.

Hierarchy Culture Profile

In the Hierarchy Culture formalization and structure are central. Procedures govern what people do and formal rules and policies hold the organization together. Managers are good coordinators and organizers, and concerns for the future are based on stability and performance with smooth operations.

Market Culture Profile

Competitive and goal oriented - these are the terms that can best describe a Market Culture. There is a high focus on external positioning and a need for stability and control. Further winning, reputation and success are much emphasized.

The OCAI is a tool that allows the dominant orientation of the organization to be diagnosed, and therefore is useful for this thesis and can contribute to answering RQ II.

Previous research studies' focus is mainly regarding the alignment of internal and external communications by internal branding, so that the company, its brand and its employees are in unity and commitment (Vallaster, 2004). However, as stated earlier, there is still little contribution to empirical literature on how the internal branding process occurs at an MNC with help of the internal communication channels. Organizational culture, along with the organizational set-up (company structure), are the social, cultural and symbolic features that contribute to and may help gaining insights into and shape the choice of IC-channels (Heeren et al, 1998; Trevino, Webster and Stein, 2000).

Therefore, the next section focuses on specifying the role and choice of various internal communication channels in an MNC.

2.4 Use and choice of internal communication channels

Organizations have numerous ways of integrating internal communications into their daily business. The communication takes place by means of a various set of channels. A channel is a means by which a communication message is carried from sender to receiver. Which internal communications channels are being employed for what specific corporate messages depends on various factors. The internal communication channel selection differs at each organization and is often taking place implicitly, or by habituation to a certain medium. When a certain communication tool has been used on a regular basis for sending certain types of messages, it will probably be used again in a new situation (Daft and Lengel, 1986; Heeren, Verwijs & Moonen, 1998). A quite different approach is the rational, conscious and explicit media selection process.

Managers have many channel options to choose from when communicating, including face-to-face interactions, telephone conversations, e-mail, the Web, memos, addressed and unaddressed documents, and formal reports (Trevino, Webster en Stein, 2000). Bouwman and Van Dijk (2002) add several other media to it: the corporate intranet, instant messaging, videoconferencing and group-ware. Each of these communication tools is being used for different purposes, dependent on the situation and the message type (Trevino et al., 2000).

The following paragraph offers more in-depth communications theory perspective on how the communication tools choice is affected by their richness.

2.4.1 Media Richness Theory

The Media Richness Theory (MRT) was developed by Daft and Lengel (1986). The main assumptions of this theory are that people want to overcome ambiguity and uncertainty in organizations and a variety of media commonly used in organizations work better for certain tasks than others. How do managers choose one communication medium over another for a wide variety of organizational tasks? For example, if a manager is faced with the task of reminding employees about an upcoming meeting, what communication medium would be used to send the message: face-to-face communication, the phone, a memo, or an e-mail?

Using four criteria, Daft and Lengel present a media richness hierarchy, arranged from high to low degrees of richness, to illustrate the capacity of media types to process ambiguous communication in organizations. The criteria are (a) the availability of instant feedback; (b) the capacity of the medium to transmit multiple cues such as body language, voice tone, and inflection; (c) the use of natural language; and (d) the personal focus of the medium. From a strategic management perspective, the MRT suggests that effective managers make rational choices matching a particular communication medium to a specific task or objective and to the degree of richness required by that task (Trevino and Daft, 1986).

In internal organisational communications, face-to-face communication is considered to be the richest communication medium in the hierarchy of media richness, followed by telephone, e-mail, letter, note, memo, special report, and finally, flyer and bulletin. According to Belasen (2007), face-to-face communication is also beneficial for sending more precise messages because it gives employees the opportunity to ask questions and receive feedback more quickly and thoroughly than via electronic communication. It also helps overcoming perceptual biases and increases mutual understanding and acceptance. In his study, the organization's employees said that e-mail provides them with the information about what is going to happen, but it seldom explains why. It's also important to note that different people are better with different

types of messages. For instance, some people learn better through oral instructions and others through written instructions; therefore it is essential that both types of communication are used to reach all members of an organization. Even if messages are originally sent via e-mail, they could be reinforced through face-to-face communication (Belasen, 2007).

However, a note should be placed regarding the MRT in relation to the attitude towards the medium. One can have a very negative attitude towards meetings, but still attend them, because this is the common practice at the organization (Trevino et al, 2000). The authors also state that matching task with medium does not provide a very strong relationship, especially not in case of the new media; these have nowadays broad possibilities and their stimuli richness thus increases. This possibly changes the medium-message match, and thus the current media richness theories yet remain questionable.

Among all of the possible corporate IC-tools there are annual and corporate responsibility reports, corporate websites, intranets, internal emails and newsletters, but also face-to-face meetings, trainings, events and conferences. Out of this variety of internal communication channels the case-MNC was especially interested in investigating their corporate intranet, because a lot of communication is supposed to occur through this medium. Therefore, the next section provides insight into the intranet value at MNCs.

2.5 Corporate intranet

"An intranet facilitates increased collaboration among employees, as it flattens the organizational structure and introduces 'any-to-any' connectivity within the company", (Paula O'Kane et al, 2004, in: De Ruijter, 2007). Hereby O'Kane stresses the changing effects on organizations that come along with the intranet.

When speaking of intranet technology, the first thought that comes to mind is 'online' employee communication within an organization. De Ruijter (2007) emphasizes that this way of communicating has become very important and has gained a lot of attention over the past years. He also states that a corporate intranet serves as an ideal

communications platform for internal branding – to highlight the internal brand of an organization.

It is, however, important to keep in mind that not every organization needs an intranet. A small company, operating from a single location, for example, may exchange information more than adequately through memos, meetings, or at the water cooler. Such an organization may well use the internet as a resource for gathering information or knowledge, but probably doesn't need an intranet's added power and efficiency.

By contrast, a company with multiple operating divisions in different locations, such as an MNC, may benefit significantly from implementing its own intranet (Tiggelaar, 1999; De Ruijter, 2007), as MNCs tend to rely upon their intranets to help customers and employees in other countries communicate. As a result, geographically dispersed organizations often experience the value of a central archive of corporate policy materials, a regularly updated analysis of current news or other information, or automated reporting of quarterly financial data, production statistics, or a company code of conduct. Basic uses, such as these, help save time and complications by streamlining routine reporting and assuring ready access to standard information.

For an intranet to be effective, it must therefore reflect a central common business or organizational objective shared by diverse individuals or groups. Clearly, there must be lots of hard work done before a corporate intranet can prove its success in an MNC.

Therefore, it is important to find out what can and has to be done so that investment into this internal communication tool can really be justified, and how it can, along with the other IC-tools, better address the needs of the different operating companies within the MNC and help get the corporate identity across by serving as an internal communications platform.

2.6 Conceptual framework

In the previous sections several theories, terms and models have been presented that are somewhat similar and even overlapping. It became clear that internal communication and branding and the corporate identity and culture are very interdependent. When combining these theoretical concepts, they can serve as a solid foundation for the research to be conducted.

To conclude the theoretical framework, a conceptual model has been constructed to capture the main aspects that were previously discussed and have to do with optimizing the internal branding: alignment of internal communication with corporate identity in the case MNC and the role that IC-tools play in it.

The following normative conceptual model depicts the desired internal branding process at the case MNC and serves as a guideline for this thesis.

Figure 3– Conceptual model of optimizing internal branding within an MNC: aligning internal communication with the corporate identity, with regard to the IC-tools

| **Pre-defined:** corporate culture & desired corporate identity (core values & business principles) and gatekeepers at different subsidiaries who are involved with internal communications and have views about the corporate identity | → | **Tools:** internal communication channels choice | → | **Aim:** alignment of CC objectives and activities with subsidiaries' expectations, requirements, activities and gatekeepers' use of IC-tools, which has to enhance the community feeling, commitment & pride |

Source: My own (2008)

The relationships between the concepts of this process model are made explicit by the arrows, which depict the desired sequential process at this MNC.

This normative model will serve as the point of departure for the empirical study as it depicts the desired alignment of internal communication with the corporate identity – which is comprised of values and principles – using the internal communication channels platform, in order to forge a sense of community, identification and pride among the employees at the subsidiaries.

In order to reach the aim, opinions from gatekeepers about the pre-defined (RQI & RQII) and the IC-tools (RQIII) need to be collected. The obtained data will allow the researcher to create a process model which can be used as guidance for optimizing internal branding within the case-MNC: aligning internal communication with the corporate identity, with regard to the use of IC-tools (Main RQ).

III. Research design

Based on the different research questions, several steps were conducted. In this chapter, the research design used for this research is outlined and discussed. First the research purpose and approach are discussed. Thereafter sampling and data collection procedure are explained. Finally, there is a discussion regarding the quality of the research.

3.1 Purpose of research

According to Yin (1994) the purpose of a research is to state what is to be achieved by the research and how the results can be used. He also presents three different types when designing research; exploratory, descriptive and explanatory stage:

> ➢ **Exploratory**

If the research questions are based on *"what"* questions, the research has an exploratory research purpose. Exploratory research can also be undertaken if there is little or no prior research in the area, and can then be used to explore why there is an interest in further research at all.

> ➢ **Descriptive**

Descriptive research purpose is information that is gathered through descriptive research and answers questions of *who, what, where, how* and *when*. Furthermore this information answers questions of different situations, and is appropriate when the research focuses on descriptions of characteristics of e.g. situations, events and actions.

> ➢ **Explanatory**

Explanatory research answers questions of *"how"* and *"why"*. Explaining means to analyze cause-effect relationships.

According to the above-mentioned differentiation, this study may be classified as a *descriptive* research purpose, since the purpose is to investigate and describe *how* the internal branding and communication can be optimized or aligned at Royal Wessanen. In other words: how can RW make sure that their corporate identity is transferred to all the subsidiaries? To the extent that the present study may shed light on the contribution of internal communication tools to this process, which has scarcely been investigated before, this research may be considered as partially *exploratory*.

When a study's research questions are of descriptive nature *how* and *what*, as this study's are (p.16), the case study method is appropriate to employ (Yin, 1994). Of course, due to the fact that there are different subsidiaries within the case-MNC to be investigated, this is a multiple case-study research approach. The next section explains the respective data collection method that was used.

3.2 Data collection method

First of all, a desk research of all relevant secondary data (digital and hard-copy documents and an empirical literature study) was conducted in order to determine which internal communication theories and models could be most preferably applied to this research. The focus lied mainly on issues that are most important for the CC department of RW: a) internal branding process of transferring corporate identity across dispersed national settings and cultures of MNCs, b) all this in regard to previous academic research on internal communication tools, media selection, etc.

This literature study helped gaining insights into the concepts of internal communication, internal branding, corporate identity, corporate culture and IC channels, which can be found back in the RQs. It was chosen to collect primary data by conducting personal semi-structured interviews with the communications representatives from all the case-MNC subsidiaries due to the fact that opinions and views of on the above-mentioned concepts needed to be collected, in order to get an answer on the main RQ: "*How can internal branding and communications become more aligned in an MNC context, and how can the IC-tools contribute to it?*"

As there are strengths and weaknesses with most types of data collection, the table on the following page gives an overview of the strengths and weaknesses, according to Yin (1994), of the various sources of evidence that is used throughout this study.

Table 2 - Sources of Evidence: Strengths and Weaknesses

Source of Evidence	Strengths	Weaknesses
Documentation	<u>Stable</u> - can be reviewed repeatedly <u>Unobtrusive</u> - not created as a result of the case study <u>Exact</u> - contains exact names, references, and details of an event <u>Broad coverage</u> - long span of time, many events and many settings	Retrievability - can be low Biased selectivity, if collection is incomplete Reporting bias - reflects (unknown) bias of author Access - may be deliberately blocked
Interviews	<u>Targeted</u> - focuses directly on case study topic <u>Insightful</u> - provides perceived causal inferences	Bias due to poorly constructed questions Response bias Inaccuracies due to poor recall Reflexivity – interviewee gives what interviewer wants to hear

Source: Yin (1994)

When put against each other, the advantages for conducting interviews, however, clearly offset the disadvantages since the information that could be received by conducting interviews would have hardly been possible to grasp in any other way. Moreover, as Merriam (1998) states, collecting data by conducting interviews is one of the essential sources of gathering information. By conducting interviews, the researcher is able to get a better understanding of the respondents' opinion about the topics of importance. Moreover, Melcrum.com (2008), a professional internal communications network organization, states that the corporate culture, like corporate identity is best to measure with a qualitative approach, because it can help gain insight into the underlying attitudes and beliefs that support the MNC's unique subsidiaries' cultures.

3.3 Main research instrument

The main goal of semi-structured interviews with communications representatives from Wessanen subsidiaries was to contribute to understanding and gaining insights into their local internal branding and communication. A deeper understanding of the gatekeepers'' views had to help the researcher determining the best media to use in order to get specific messages across. Answers on all the RQs, and thus implications for improving the internal branding process in an MNC and should be derived from these interviews.

3.3.1 Semi structured interview guide

The interview guide (appendix 2) guided the researcher during the interviews with the communications representatives at all the Wessanen subsidiaries. In addition to the listed questions, the researcher complemented these with follow-up questions if the questions were regarded to be vague or difficult to understand.

3.3.2 Assessing organizational culture

During the interviews, one of the main topics of interest was the company culture of the subsidiaries. The interview guide included a section when the culture was assessed by using a self-developed organizational culture dimensions diagram, derived from Cameron and Quinn (see 2.3.1). It was made available in both English and Dutch with respectively Non-Dutch and Dutch speaking interviewees (appendixes 3a & b). This method helped to identify what type of culture, in the interviewees' view, can be best attributed the operating companies of Wessanen; and it also helped to overcome vague answers and descriptions of company culture, hence increasing the validity of this research. E.g. if the respondent would state *"we have a very cozy and friendly environment at our company"* – it would be quite vague; but if the respondent would identify 1 or 2 dimensions out of the four quadrants and explain how the culture is related to their internal communication – it would be more concrete and valid.

3.4 Sample selection and participants

A *subjective sample selection* is, according to Blaxter, Hughes and Tight (2001), when a sample is chosen when the researcher has knowledge about what is going to be investigated, and the researcher chooses that sample because of the belief that these persons will provide the most valuable information. In order to collect valuable information for the empirical data for this research, it was chosen to employ this type of sample selection.

In recruiting participants, key communications representatives from all Wessanen OpCo's were identified by the CC department and given a brief, written explanation of the research, and asked if they would be interested in taking part. Initially, it was the intention to interview two representatives from each subsidiary. Of the potential

participants who agree to take part in the study, a time and place for the interview was agreed. Eventually not everyone was available during the summer months, when this study was conducted, so at TOL UK and Distriborg only the HR managers were interviewed. At Righi and Wessanen BE, the smallest OpCo's, where the Managing Director is in charge of the communications, interviewing them alone was sufficient. Most of the interviews took place by telephone due to geographical distances. The Dutch (3), Belgian (1) and German (1) participants were approached personally, in a face-to-face interview at the HQ offices. At all times a formal but open atmosphere was maintained.

The table below shows the overview of all participants, the channel through which the interviews were held, time date and if applicable location.

Table 3 - List of interviewees at Royal Wessanen

Subsidiary	Respondent	Respondent's department/title	Interview type	Time & date
Corporate HQ	**Henk van den Bogaart**	HR	Face-to-face	11.08.08
TOL NA	**Kelly Kosmin**	HR	Telephone	25.07.08
	Karen Winant	Communications	Telephone	16.07.08
TOL CA	**Jamie Moody**	Man. Dir.	Tele-conference	23.07.08
	Helen Morrison	HR		
ABC	**Tony Battaglia**	Man. Dir.	Telephone	08.07.08
	Tim Barr	Brand Man.	Telephone	22.07.08
PANOS	**Kathie Borkowski**	VP Operations	Tele-conference	23.07.08
	Bonnie Jedrzejczak	Fin. Dir.		
Allos/Tartex	**Frank von Glan**	Man. Dir.	Face-to-face	23.07.08
	Daniela Feninger	HR	Telephone	24.07.08
Distriborg	**Christine Serval**	HR	Telephone	09.07.08
Kallo / TOL UK	**Ann Chambers**	HR	Telephone	13.08.08
Natudis	**Xander Meijer**	Man. Dir.	Telephone	21.08.08
	Eline Holten	HR	Telephone	21.08.08
Wessanen NL	**Jan Koeyvoets**	HR	Face-to-face	09.07.08
	Inaria Kaisiepo	Dir. Secretary	Face-to-face	11.07.08
Wessanen BE	**Marc Waelbers**	Man. Dir.	Telephone	14.07.08
Righi / Bio Slym	**Marco Guidi**	Man. Dir.	Telephone	15.07.08

3.5 Procedure

Before the interview, the following points were stressed to the participants: the interview was not anonymous, due to the nature of the research. Furthermore, the input of the interview was aimed at providing the CC management with concrete recommendations on how to shape Wessanen-wide internal communications platform. Therefore, concrete ideas and constructive criticism from the key communications representatives at the subsidiaries were welcome. Finally, the interviews were going to last about 30-45 minutes.

3.6 Quality of the research

When measuring the quality of this study, the dilemma of ensuring that the study is reflecting the truth in regards to the way in which the empirical data has been collected, analyzed, and interpreted has arisen. The most important criterion of research is validity and it refers to the question of whether the study is measuring or recording what it is intended to measure or record. Another important criterion for research is the reliability of the study, referring to whether the results of a study are repeatable and likely to apply at other times (Yin, 1994). Hence, it was tried to make the study valid and reliable. However, while these criteria are very important for research, it should be remembered that their application to qualitative research is not always as simple as their use in quantitative research (Merriam, 1998).

3.6.1   Validity

With regard to the validity it has been tried to strive for a truthful research. In choosing questions for the interviews there was a critical examination performed in order to ensure that the questions were relevant to the research (sub-) questions, which in turn aimed at securing their validity – the instrument was actually measuring what it is supposed to measure. Using a critical incidents method reflected the respondents' true feelings and thoughts regarding concrete situations. By positioning the researcher as independent through the introductory text before the interviews, some concerns of the validity of a qualitative research can be put aside.

Moreover, a tape recorder was used during the interviews, of which the interviewee was informed about in advance. Each interview was completely tape recorded to ensure

that the researcher received all the information, which enabled double-checking the answers with increased validity.

Regarding the primary data, it is worth mentioning that the different respondents may have had an influence on each other. Representatives from the same company will be likely to discuss the ongoing investigation and thereby exert an influence on each other.

3.6.2 Reliability

Reliability issues are often addressed in relation to the types of questions asked.

Closed questions often have almost no uncertainty in interpretation, while the open questions mostly focused on 'what' and 'how', not on explanations, so the answers to those are usually facts described in key words – which also leave little room for free interpretation. The reliability of the received data and information can be increased by frequently quoting answers of the respondents when describing the results of the interviews, not 'just interpreting' them.

IV. Results, Conclusions and Discussion

In this chapter the empirical data – case studies of 18 telephone and face-to-face interviews conducted with respondents from 10 operating companies of Royal Wessanen are analyzed and practical implications are presented. The normative conceptual model and the RQs, which have also facilitated the structuring of the interview guide and the empirical data, serve as structural tools for this analysis and the creation of a prescriptive process model. Finally, the theoretical and practical contributions of this thesis are discussed and suggestions for future research are given. Finally, the used theoretical framework and method are discussed.

The theoretical study allowed creating a framework that summarizes, in the researcher's view, the most important theories within the field of internal branding and communications tools. The intention of the empirical multiple case-study research approach was to illustrate the theoretical framework and, if possible, to contribute to the expansion of this framework.

The goal of this study was finding out how the internal branding process takes place in an MNC which pursues authenticity, sustainability and transparency. How can the Wessanen-mindedness and identity (corporate values and business principles) become aligned with the subsidiaries' expectations, requirements and activities and what role do the IC-tools play in this context? In other words, how can they facilitate this alignment?

The results, as presented in the case-studies in appendix 4, have shown that first, all Wessanen subsidiaries need to have a basis for commitment: being aware of the specific business principles that have to be communicated regularly and systematically. All subsidiaries need to be provided with enough information on what the sister companies are doing and what their successes are. These issues should not only be discussed at the WIN-meetings of the top-management, but also through internal newsletters, and a mix of various IC-tools. In the next sections the results are analyzed, structured by the research questions.

Alignment of local and corporate values and principles

When looking at the core values and business principles there are several aspects to be taken into account. Wessanen's subsidiaries are at different levels of incorporating the core values and principles into their daily business. They have been formulated in order to cover all the operating companies' local visions and core values. Nevertheless, some daughter companies have gone beyond the Authenticity, Sustainability and Transparency, by extending these to more specific values that are being lived-up to locally (Distriborg, Kallo Foods, Allos); whereas several companies are still doing their best to comply with the basic core values of Wessanen (ABC, TOL NA and Wessanen NL). For instance, Kelly Kosmin from Tree of Life North America stated that the corporate values and principles are mirrored at their company: "*They are being driven through the HR initiatives and they are being incorporated through various meetings, e.g. the president meets 2-4x a year with the management teams where he brings up the authenticity, transparency and sustainability*".

Many interviewees stated that in order to prevent employees from experiencing the corporate identity as a vague statement, it should become more alive. Not only through static verbal messages like posters with slogans or value boxes: the identity should really "speak" to the employees. The interview with the general manager of Tree of Life Canada revealed that there is confusion on the employees' side concerning what's exactly the difference between the core values and the business principles versus their goals. He understands what the key words Authenticity, Sustainability and Transparency stand for, but it is quite difficult to explain this complex story to the work floor. "*Simpler statements about what we are really trying to do – would be better*", he said, "*and in order to translate the values and principles into daily work – they need to be simplified and brought closer to people*". There is currently is not enough exposure of the regular employees to the corporate identity.

A lot of respondents, among whom Waelbers (managing director Wessanen Belgium) and Kosmin (VP Human Resources Tree of Life North America) have pointed

out that implementing internal branding is a continuous process that takes time. Moreover, they emphasized the need to recognize the dynamism of the process and that it requires dynamic and continuous organization and management. In order to avoid the employees "forgetting" what values and principles the organization stands for and to prevent the spirit from going down – you need to work on it. According to Henk van den Bogaart (Corporate VP Human Resources), it would be great if someone could work with this on a full-time basis. There must be constant support of the employees in the process of motivating and understanding the practice of both operational as well as communications chosen by the corporate level.

Once identity-related activities or trainings are organized, there should not be breaks after they are provided, leading to leaving the process unattended for a while. "O*therwise employees will have the idea that no follow-up activities are to come"*, as the general manager of Wessanen Belgium, Marc Waelbers, said. So in order to keep spirits high the activities should be continuous. Follow-up activities as training days and incentive programs are very important for involving and motivating employees. This was brought up by, among others, Kathie Borkowski from PANOS, and by the Corporate VR Human Resources.

Cross-company communications

According to all the interviewees, there are sufficient cross-company communications between the operating companies on a (senior) management level of Wessanen. Whereas the lower the organizational level – the less the awareness there is of being a part of Wessanen. It would be beneficial if the corporate head office did something about Wessanen-wide internal communications through e.g. the corporate intranet, by informing employees about the other companies at the Wessanen group and by making sure that information is submitted on a regular basis from every subsidiary. *"Building a strong internal communication-sharing platform would be enriching, regarding the various internal newsletters and magazines that could be shared, posted and accessed by all the subsidiaries"*, said Karen Winant (communications specialist at Tree of Life North America).

To keep up with regular cross-company communication is, however, often difficult, because the employees are preoccupied with their local businesses and often

don't bother knowing about what's going on at the sister-companies' businesses. And this is a missed chance, as the general manager of the American Beverage Company (Tony Battaglia) said: *"It would make sense if there were some forums or communities on the intranet where department heads could share information and learn from each-other's experiences, e.g. new ideas in marketing, production or packaging".*

It should be taken into account that people always look-up information that interests them. If Wessanen wants to unify employees in cross-company communications there needs to be something in it for them, as the interviewees from Natudis and PANOS mentioned. An example of engaging themes for nearly all Wessanen companies is organic & ecological production. (Especially for Natudis, Kallo, German and Italian businesses).

The major challenge is who will publish what and how to do it between the obligatory workload. In this regard it would be very effective to encourage the key players to stimulate their department heads/MT to come up with material once in a while, and to provide it to the CC, so that CC will then coordinate it and bring it all together in a globally available IC-tool. Jan Koeyvoets (VP HR and Operations at Wessanen NL) mentioned that: *"By doing all their communications work for the operating companies, CC is absolving them of their communications responsibilities".* Hence the CC to find ways to empower the subsidiaries to do create more internal communications input.

Furthermore Meijer (general manager Natudis) and Van Den Bogaart (Corporate VP Human Resources) argued that in order to undertake and successfully carry out an internal branding process, a great amount of resources in form of time, money and people is required. On the other hand, they believe that the investment pays off in the long run. So in order to have high aims with regard to a successful internal branding process the company has to be willing to go for it, i.e. to invest in the necessary resources.

4.2 RQII) What role do the RW subsidiaries' cultures play in the alignment of internal branding and communication?

A very important thing that has to be taken into account within the case-MNC is that there is a different mindset at different operating companies and between them and the

HQ. Different subsidiaries are involved with different product portfolio's (Health or Premium taste), with different business strategies (branding or distributional activities).

At present, Royal Wessanen doesn't have a common internal branding program for all the subsidiaries. Moreover, most companies right now have filled-in this gap through implementing the identity locally. For instance, Wessanen NL is struggling with a lack of own identity, due to that this subsidiary is physically located in the same building with the mother corporation, thereby loosing the power to evolve their own identity. Other businesses have other problems. ABC is well aware of the Wessanen vision, values and strategy statement and the look of the desirable corporate identity, as Tim Barr, the director of marketing said. At ABC those values are shared strategically. But on a daily business level there is a discontinuity, because some of their products fall outside the main Wessanen organic scope. Some do fit, because based on the premium taste strategy they match the product portfolio. Tony Battaglia (general manager) added that especially the authenticity strategy isn't very strongly carried at ABC, because being a unique beverage company within Wessanen, they are not going strong on the organic portfolio, but they are consistent on the Premium Taste, all natural, no preservatives and indulgent products. Such issues are familiar at other subsidiaries as well, who manufacture or distribute the Premium Taste range (PANOS, Kallo Foods, Distriborg). On the sustainability front, employees know about it, improvements are being made but it doesn't live at the work floor level; however the posters, leaflets and the sustainability report are good tools for creating the awareness and ABC is trying to comply with Wessanen's drive for sustainability and CO2 reduction. "*But the sustainability issues here in the US are not evolved to the same level as they are in Europe. EU is far ahead, and this may be due to differences in culture and definitions of sustainability*", said Tony Battaglia. While, at the smaller European operating companies, like Bio Slym, Kallo and Allos – sustainability is the key and it's their unique selling point.

Appendix 3c illustrates how the operating companies fit within the Competing Values Framework diagram. The companies' cultures affect how they interpret and implement the desired corporate identity at locally. For instance, small companies with a family culture, which are more internally focused, don't have a very strong need for

cross-company communications. They have their own local internal communication tools, like newsletters and they concentrate on internal teambuilding, e.g. the small "family cultures" companies as Allos/Tartex (Germany) and Righi/BioSlym (Italy). These companies are more internally oriented and concentrated on their craftsmanship. Moreover, as the majority of the employees don't speak English, they are struggling with a language barrier, when it comes to cross-company communication. PANOS Brands and Wessanen Belgium are also small companies, but they are more externally oriented and more open to cross-company communications. However, still the majority of the Belgian and Dutch employees would also have problems with cross-company communications in English. That is why a lot of local initiatives are implemented, and they feel it's closer to them and their (company) culture. On the other hand, big subsidiaries like Distriborg and ABC are more externally -and innovation-oriented. Therefore they have more need to communicate openly and learn from other businesses, especially on the innovations and brand development field.

Moreover, companies like Natudis, ABC, TOL NA and Kallo Foods mentioned that they are missing the human aspect in all the communications at Wessanen. More face-to-face communications and richer media should be used to share news, experiences at department-level and success stories.

So there are large inconsistencies between the desired corporate identity that is set by the HQ and the interpretation and implementation of it at the subsidiaries. It is of utmost importance to adapt the internal branding strategy to cultures that have existed or still exist within the company. However, regardless of strategy, the preservation of values requires a methodical approach.

4.3   RQIII) What role do the gatekeepers assign to the IC-tools and how should they be (re)shaped in order to reach the end-objective of creating an IC platform and enhancing the sense of community, commitment and company pride?

Locally used internal communication tools

Each subsidiary at Wessanen has its different ways of creating awareness and exposure of the corporate values and business principles. Most companies do use the promotional material like business principles posters (translated into each company language), value

boxes and leaflets. These tools are however quite static, and soon after their introduction at the companies they became a part of the interior and don't fulfill any purpose. They are not interactive and attention-grabbing enough. And they "don't break through the clutter" of other communication leaflets, posters, etc.

Furthermore, almost all Wessanen companies pursue internal team-building. Therefore they have their local newsletters, meetings and local intranets and partly due to that the corporate intranet, which is set-up in English and is available to all the employees with computers, becomes neglected (see appendix 4, sections about Octopus).

Corporate intranet

During the interviews, separate questions about the corporate intranet, Octopus were asked. Most interviewees have stated that although Octopus provides them with a very clear and informative "corporate manual", the information they need on operating companies is sometimes out-of-date, so they turn to other sources, first of which are their own intranets or the corporate website. Moreover, many of the interviewees mentioned that the lay-out and the interface of Octopus are quite static and uninviting to click through and read the news, because the curiosity is barely triggered. Overall, the interviewees experience Octopus as an informative but nevertheless a static and uninviting source. There is little input of the contents and that undermines its contribution to a community-feeling. Although organizational values and principles are mentioned, they are not actively made explicit and promoted. One of the major reasons for not going on Octopus is the language barrier at the work floor level. The other reasons are that it needs to become more alive, fun, engaging and connected to people. *"People are interested in people, so more video's and interviews with the employees would create the community-feeling"*, said Christine Serval (HR manager at Distriborg, France).

Intranet can be run in quite a de-centralized way, by having key players/contributors at each operating company, but having CC as the "owners" of the tool. Apart from the press-releases and day-to-day updates, CC has to be overhauling the new intranet. It should develop into a living and breathing entity, as several interviewees stated (appendix 4). CC should also certainly not over-rely on the corporate intranet when it comes to internal branding. The most effective way, according to both the theory and the input from the interviewees, could be combining several media

(Media Richness Theory): digital, hard-copy and face-to-face communication for the purpose of creating a Wessanen-feeling among the employees.

A table of strengths and weaknesses of Octopus has rolled out from the interviews and it presented below.

Table 4 – Strengths and weaknesses of the global intranet "Octopus"

Strengths	Weaknesses
• Octopus is very helpful in gaining factual and business-related information; it is structured, professional, transparent and synoptic. • It is a good information source for internal audience to gain orienting information about processes and procedures (corporate manual), corporate information (management, strategy) and practical information (addresses, telephone lists, web-links). • Octopus surely contributes to communicating the corporate identity. This purpose should be supported more through other channels. • Every subsidiary has access to Octopus. • Royal Wessanen's business background with fluctuations and restructuring leaves hope for future community-feeling and corporate identity integration as employees' needs are changing in the good direction: first business stability – then the "soft" communication aspects.	• News and market talk are often being neglected (mainly due to the static interface), which is a pitfall for the internal bonding. The corporate identity doesn't really stand out. • Only practical use of Intranet, little/no interaction between employees in the various operating companies. No real "Wessanen community-feeling". • Information about the subsidiaries is not always up-to-date. It is like a library with infrequent input. • Lack of a Multilanguage function, which is seen as an obstacle at some subsidiaries, and the incomplete information about specific subsidiaries and their (HR & Benefits) policies. • Lack of reminding people about Octopus: the unity reinforcement between the subsidiaries is not solely depending on the intranet, since most subsidiaries use their own intranets and other IC-tools rather than Octopus.

Recommendations for the Corporate Intranet

Setting up awareness for the A-S-T principles: First create awareness of the A-S-T principles, which is a prerequisite for having expectations for improving internal communications by means of the IC-tools. By far not all Wessanen employees worldwide are fully aware and/or understand of the business principles, so there is a need first to inform them about it, by consistently implementing the IC-tools for transferring and explaining them. Setting up more (team) incentive programs that could

perhaps help promote the team-spirit and the togetherness of Wessanen; e.g. by putting a CEO video message on the corporate intranet to create more internal bonding and branding. Such initiatives could help employees get connected and become more 'Wessanen-minded'.

Livelier visual cues: Pictures and logos on the main page of Octopus could create attention and curiosity and attract users to click through the news-items. They are now often being neglected partly due to their uninviting and static lay-out, but they still are crucial for highlighting the corporate identity. E.g. each new press release could be put more centrally, replacing the "corporate manual" or "share price", which are more static links. Moreover, market-talk and news should be more to-the-point and short and need to stand out more: a solution could be creating teaser pop-ups that appear at startup of http://octopus.wessanen.com/. That triggers the curiosity to visit the link and find out more news. A creative suggestion is to have these pop-ups appearing on the tentacles of the octopus. Another idea would be including a marketing section on what the customers hear about Wessanen on the promotions of innovations and how do Wessanen's subsidiaries appear to them in the news and/or TV commercials. Placing more news about the promotions of innovations of Wessanen-products would contribute to enhancing the pride-feeling.

Multiple goals – multiple tools: Most of the interviewees have stated that the corporate intranet at this point serves mainly for informational goals (latest, news, documentation, etc.), and does not quite contribute to emotional bonding and a community-feeling (e.g. through latest press releases, fun info sharing and motivation and team incentives). That gap could be filled with an additional source, e.g. a HQ newsletter on a monthly or quarterly basis. The research of De Haas (2007) showed that corporate print-media are by far more suitable for transformational goals (corporate bonding). However, the most effective way to promote the corporate identity is combining the digital and hard-copy IC-tools (e.g. BCA info, Employee Engagement survey have 'and-and' approaches that are being received well.

Octopus could be a very effective tool for the employees with direct network access, if it served as an internal communications platform and contained more human interest content where people would be included in news; but at this point it is being used very

infrequently at Tree of Life. Octopus needs re-introduction and re-invigoration, because at some point the communication about its purpose across from the Corporate Communications side to all the subsidiaries has stopped.

Apart from using the existing internal communication tools it is useful to look for new richer and more engaging tools that would grab the employees' attention, without interrupting the working process, and which could be implemented smoothly with existing communications mechanisms.

Video-messages from the corporate-level top management are very important to MNCs with geographically dispersed business units. This type of organization can cope with the costs of this relatively rich medium, especially at times when other internal media have proven to be weak. Company video's can be used parallel with other means of communication, for example as messages from the top-management about the introduction of new products or services. Since the "voice" of the organization is the CEO he should really encourage the whole company to incorporate the identity. Regular employees neither know nor see him often. Therefore CEO- video messages and broadcasts could help getting important messages across. These ideas were brought up by several interviewees (e.g. at the Corporate Head Office and at Natudis). Especially when speaking of corporate identity – audio-visual media, just like a real-life meeting, can clarify the meaning of the values and principles Wessanen stands for.

4.4   Main RQ: How can internal branding and communication become more aligned within an MNC, and how can the IC-tools contribute to it?

Fostering community feeling and pride
According to the interviewees, in order for the employees to feel connected with the mother corporation it must reflect certain benefits for the operating companies: what's in it for the regular employees?

In order to unify all the subsidiaries in a single major internal branding process the HQ needs to systematically take this decision and implement an internal branding strategy, in order to avoid loose and unstructured communications. This corporate internal branding strategy doesn't have to be very strict, though, because some freedom

has to be with the subsidiaries, whose gatekeepers will decide upon the implementation of certain identity-related measures at local level. However, the fact that HQ would do something in that direction, while taking the gatekeepers' opinions into account - would be very appreciated at subsidiaries.

One of the most important prerequisites for employees being proud of the whole MNC is successful performance of all businesses. It is just like people do not tend be proud of a football club that's always loosing. It means that internal communications are very interdependent with how the organization performs externally. The identity interplays with image, and the allure of the company. At the same time people tend to be concentrated locally and in the US subsidiaries perceive the European businesses as a far-from-their-bed show, and vice versa. Only in case Corporate Communications bounds strengths with Corporate HR and consciously set the objective to instill company pride and the feeling of belonging to Wessanen as a whole, and employ a strategy for that– there can be results on the long run. It shouldn't be overlooked that this process has to be on-going and a creative approach in inevitable if desirable results are to be achieved.

The main concern of the executive board is profitability, growth and how the outside world perceives their organization: whether the investors, media and consumers know what makes the company great. But do the employees know that? If they are driven through the corporate identity, feel connected and are unified by it – they will help the company grow, hence boosting the positive external image.

In the following section the theoretical and practical contributions of this thesis are discussed and suggestions for future research are given. Finally, the used theoretical framework and method are discussed.

4.5   Theoretical and practical contribution

This thesis had a public (manufacturing / branding / distribution) health and premium taste multinational food corporation at focus; a service company could be studied to see how relevant internal branding is for their branding endeavors.

Hence, there are many places to go from here. Simply put, internal branding is integrating the brand with all aspects of a company; involving the entire organization in

corporate branding is highlighted by Hatch and Schultz (2003) in order to help attracting and motivating all employees. According to Vallaster (2004), emotional commitment is deemed to contain the strongest and most encouraging association to the employees' behavior. Based on the literature review on many issues within and parallel to the concepts of internal branding and corporate identity it is important to understand that a brand's audience is not only its end-users; people working for that brand must be integral to the entire branding process. Internal branding is about explaining the brand to the employees, making them believe in it, getting them to support it and guiding them about how to contribute to it.

The aim of this study was investigating how internal branding can be optimized, in other words, how can corporate identity become more aligned with communications at an MNC. This study uncovered that employees can be motivated by being given the accountability for their actions, being evaluated or recognized in contributing and to being part of an organization's success, as the better it goes for the company, the better it becomes for the employees. Recognition is key to pride. Wessanen should start small by implementing recognition incentives locally by the gatekeepers, who should be triggered by CC. Employees will not become proud of the whole corporation unless they know what the other operating companies are doing; being part of a successful international organization, knowing that their work is also appreciated by the colleagues abroad. There lies the chance for the corporate intranet: corporate communications could use this channel to inform all the subsidiaries on how each subsidiary is doing. The best way would be triggering the gatekeepers at the subsidiaries to create their own input for the global intranet on their primary business issues. In that way "ownership", which is one of the core values, would be realized.

Therefore, institutionalization of internal PR and communications must begin at the corporate level – the top of the corporation, however, the gatekeepers are regarded as the primary ambassadors, due to their responsibilities and interactions with the local operating companies' employees on a regular basis.

The normative conceptual model that was created in chapter II is based on the literature and the Wessanen corporate perspective. After conducting interviews with gatekeepers from all subsidiaries and learning their points of view, a new vision has evolved into a prescriptive process model of how to optimize the internal branding within the case-MNC.

Figure 4 - Process of optimizing internal branding within the MNC: aligning internal communication with the corporate identity, with regard to the use of IC-tools
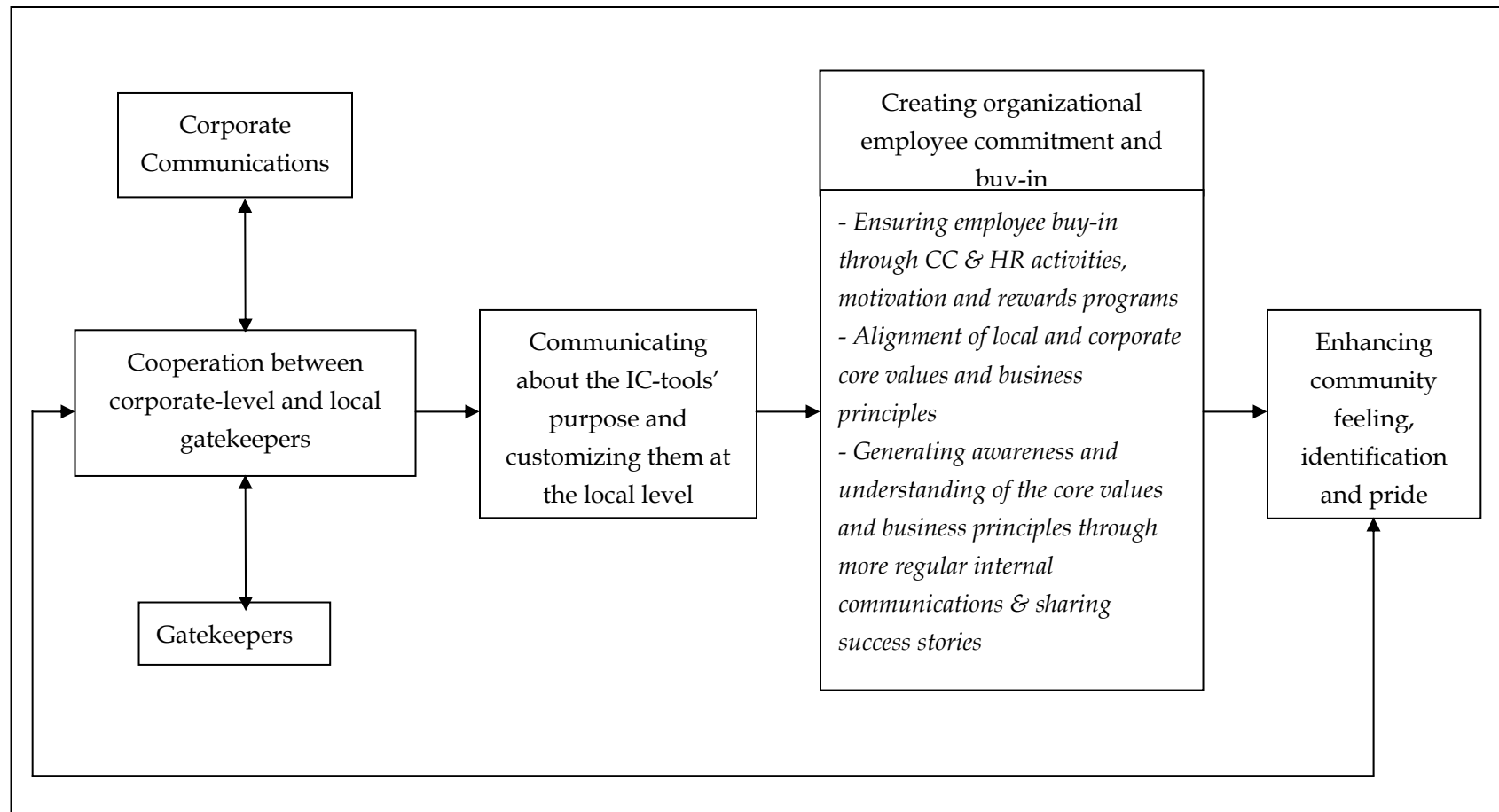
4.6   Limitations, Suggestions for Further Research and Conclusion

There are several limitations of this study due to the inherent constraints of qualitative research. First of all, the results of this research may not be totally generalized over other situations, sectors and businesses; this study's conclusions may be specific to the case-MNC. Since the aim was not measuring but understanding the concept in question, breadth was compensated by depth; thus, representativeness may also be lacking and the conclusions of the empirical study are to be accepted as guidelines rather than universal statements.

Secondly, for this research, convenience and subjective sampling were used, and the objective was to select the best possible subjects from a variety of employees, but, although all the questions were answered to the satisfaction of the researcher, the fact remains that there could still exist other sources who could have provided further information about the issues at hand and who are unknown to the researcher. Besides, the amount and scope of disclosed information could vary if the study were conducted by different researchers.

Further, although the chosen research design is considered as optimal for the given situation, it lacked the opportunity to actually test whether the internal communications platform would forge a sense of pride, community and identification at the operating companies' employees. This would require a large scale sampling across the whole Wessanen multinational, which could be the next step, after the implications, regarding the IC-platform, are implemented and some time will pass so that the employees will become accustomed to the changes in internal communications.

Lastly, there was the limitation of time, resource and scope to conduct a wider survey such as a comparison between Royal Wessanen and other comparable MNCs of the same size or profile and about their internal branding and communications practices and related outcomes.

As previously mentioned, internal branding is a new concept, thus, there are many ways to go in means of further research. This study could be done quantitatively with a fixed set of questions addressed to a statistically significant number of employees to further test if the audience – the regular employees - of internal branding really understands and appreciates these efforts.

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
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Appendix 1a   Overview of all subsidiaries of Royal Wessanen nv

A full-page organizational chart of Royal Wessanen nv and its subsidiaries, including legend categories: Subsidiary Name, HPT Health, HPT Premium Taste, HFS Health Food Stores, and Combination of both.

Main subsidiaries: Wessanen NL, Wessanen BE, Distriborg France, Kallo UK, Righi ITA, American Beverage Company, Liberty Richter, Tree of Life US, Natudis BENELUX, Kalisterra FRA, Bonneterre FRA, Allos GER, Tartex GER, Tree of Life UK, Bio Slym ITA, Distriborg Groupe.

1b   Overview of all Wessanen Brands and Products

Product Category

- Health Food Stores — Wessanen Brands — Health and Premium Taste

Product / Channel Mix

- Health Food
- Ethnic & Premium Taste
  - Distribution of own Brands
  - Distribution of other brands
  - Production of own Brands
  - Distribution of own Brands
  - Distribution of other brands

Natural / Health Food Stores

Retail
Out of Home

Brands

De Rit NATUURPRODUCTEN · Evernat Génération Bio · HOLENAARTJE · Tartex · Bonneterre · Allos · Pléniday · Dr. Ritter

ekoland · Schär · PROVAMEL

zonnatura natuurlijk de lekkerste · BJORG · Tree of Life · BIORGANIC · whole earth · Gayelord HAUSER

DAILY'S FRUIT MIXERS · BECKERS · Righi GASTRONOMIA

KA-ME · TIEN SHAN · ROYAL MAIL · MERZA

PATAK'S Original · THAI KITCHEN · BLUE DRAGON · TABASCO · CELESTIAL SEASONINGS · Kühne · Sunkist · MAILLE · kara · dL · Grand'Italia

Growth Strategy

Autonomous Growth by Professionalizing Specialized Channel

Strengthen Base Competencies by Acquisitions/Alliances

Reposition Existing Businesses & Broaden Portfolio by Acquisitions

Interview Guide

I) English version

PART	
I	**Introduction**
	Good morning / afternoon, *First of all, thank you for your cooperation on my research, and let me introduce myself.* *I am Olga Golubova, a final year student Communication Studies and currently carrying out a master thesis project at the Corporate Communications department on Internal Communications at Wessanen Headquarters.* *This interview will last approximately 45 minutes. I am going to ask you several questions on how you are dealing with the internal branding process of promoting Wessanen's corporate identity within your operating company and what tools you are employing to that end.* *Do you have any questions before we start? Then I would like to begin.*
II	**Internal branding**
	The first questions are aimed at addressing the internal branding process of communicating the Royal Wessanen's corporate identity (globally) and within your company (locally). ➢ <u>Do you know and can you recall RW values (Ownership – Winning – Authenticity – Entrepreneurship) & principles? What do you think about it? Can you identify with it?</u> Do you think your employees/colleagues can identify with it? Does it match the identity of your local company? ➢ <u>To what extent are Authenticity, Sustainability and Transparency embedded in your company's daily business?</u> How do you make these values "live" at your company? In what ways is the corporate identity made visible or tangible at your company? Can you give some concrete examples? ➢ <u>Has the way in which Royal Wessanen has promoted its values and principles in the past (e.g. posters, foldable leaflet) made them "live" among the employees at your company?</u> If not, what was/were the key issue(s) (e.g. IC tools used, language/style used, no match with local values, etc.)? <u>Do you have any recommendations for future communication about Wessanen's corporate identity</u> (from Corporate Communications as well as locally at your company)?

III	Cross-company communications & culture
	- Are you sufficiently informed about Wessanen HQ and sister companies with regard to how they are promoting the Royal Wessanen's corporate identity, their strategy, products, brands and services? Which ones do you know about and which ones not? Would you like to know more? (e.g. information about accomplishments, challenges, successes of the sister companies) - To what extent/in what respect do you think cross-company communication would add value to your daily business? If yes, what should happen in your view, to strengthen the communications, and which organizational functions would benefit from enhanced cross-company communications (should it be general, functional (Marketing-specific, Finance-specific) or both? *Please find a diagram of organizational culture dimensions in the attachment[1].* According to you, which one(s) represent(s) your company the most? Can you give some concrete examples why? Does it affect your internal communications and branding and how?
IV	IC tools
	The use of internal communication tools is not yet streamlined across Wessanen subsidiaries. For example, each subsidiary uses its own internal (e-) newsletters, has its own local intranet or sometimes refers to the global one, but there is limited cross-company communications. What is your opinion on that? What message content do you communicate and what IC tools do you use locally? How do you decide what means of communication are used for specific messages for communicating with your employees (e.g. what is communicated through an internal newsletter and what is put on the "all-staff" e-mail or on the local intranet)? *(Here the "Overview Internal Communications Network" is used as a back-up)*

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[1] *Use the CVF organizational cultures dimensions diagram based on **Cameron & Quinn (1999)***

	Corporate Communications would like to add a Wessanen-wide perspective to the internal communications and create an IC platform. ➢ <u>What message content could be communicated by the HQ directly to all employees globally and what type of messages do you think need to go through a gatekeeper such as yourself?</u> Can you give some concrete examples of that? (E.g. what has / has not worked in the past.)
V	**Corporate Intranet**

Now I would like to talk specifically about the global corporate intranet – Octopus and what role to assign to it.

Content specifically regarding corporate identity	**General intranet content**
➢ <u>Do you think Octopus is a suitable communication tool for transferring our values ("A-S-T") to employees at your company and why?</u> What other IC-tools (or a combination of them) could be (more) suitable, according to you?	➢ <u>Does the corporate global intranet (Octopus) facilitate you in finding out information or news about the HQ and your sister companies' business activities?</u> Can you find your way about octopus? Is there any information missing or hard to find? Do you have any recommendations with regard to content or structure?

➢ <u>Does the fact that Octopus is set up in only one language</u> create a barrier for you or employees at your business? If so, do you have any recommendations on how to tackle this?

➢ <u>In your view, is there a need to change something about Octopus</u> in order to make it more inviting and interactive? If yes, then what and how do you see the implementation of resources before you (who is going to take care of the content)?

➢ <u>Do you feel Octopus users would benefit from extended editorial rights</u> for a broader group of users to make it more customized (for example, if you could post your own messages on Octopus directly without having to go via Corporate Communications)? Would you make use of this? Do you feel all Wessanen employees should be able to post messages on Octopus or editorial access should be limited to key communication professionals such as yourself?

VI	Final

I am about to finish the interview. Before doing so, I would appreciate some of your input that may be useful for my following interviews.

  ➢ Do you have any suggestions about how to improve internal global communications across Wessanen? (In terms of IC tools, messages, content, etc).

  ➢ What can be done better for internal branding, locally as well as globally in order to increase the feeling of unity and pride among the employees? What IC tools do you think would be most effective in instilling "company <u>pride</u>" in Wessanen companies worldwide? What type of messages should be communicated, in what manner and by whom (e.g. global internal newsletter, better use of Octopus, quarterly video messages by CEO, annual local employee meetings with CEO, etc)? How do you see your own role in this process?

  ➢ Are there any people within your organization of which you think that I should talk with?

  ➢ May we contact you for further details or consultation of needed?

We have come to the end of this interview. Do you have any spontaneous comments regarding the contents of my questions, or is there something of importance that has not been discussed during the interview that you would like to add?

I would like to thank you very much for your time and cooperation.

The next step will be me conducting more interviews with all key communications representatives from all Wessanen subsidiaries, analyzing the obtained information and reporting it. You will receive the summary of the recommendations and implications that will roll out from this research in approximately 4 to 6 weeks from now.

DEEL	
I	**Introductie**

Goedemorgen / middag,

Allereerst, wil ik u hartelijk danken voor uw medewerking aan mijn onderzoek en wil ik mijzelf voorstellen. Ik ben Olga Golubova, laatstejaars studente Communicatiewetenschap, en ik ben momenteel, in opdracht van de corporate communicatie afdeling op het hoofdkantoor van Wessanen, bezig met mijn master afstudeerscriptie, over interne branding en communicatie.

Dit interview zal ongeveer 45 min duren; ik zal u een aantal vragen stellen over het interne branding en communicatieproces bij uw OpCo.

Hebt u nog vragen? Dan zou ik willen beginnen.

II	**Interne branding**

De eerste vragen zijn gericht op interne branding en communicatie – het promoten van de corporate identity – bij uw bedrijf en bij Royal Wessanen in het algemeen.

> ➢ <u>Kent u de Wessanen values & principles? Kunt u ze noemen? Wat vindt u daarvan? Kunt u ermee identificeren?</u> Wat denkt u dat uw medewerkers/collega's ervan vinden, kunnen zij ermee identificeren? <u>In hoeverre komt die identiteit overeen met de identiteit van uw OpCo?</u>

> ➢ <u>In hoeverre maken Authenticiteit, Duurzaamheid en Transparantie onderdeel uit van uw bedrijfsvoering?</u> Hoe doet u deze principes "leven" binnen uw organisatie: op welke manier worden ze "tastbaar" gemaakt? Kunt u daar ook voorbeelden van geven?

> ➢ <u>Deed de manier waarop Wessanen haar waarden en business principles in het verleden heeft gepromoot (bv. posters, opvouwbare brochures), die waarden en principes ook "leven" binnen uw bedrijf?</u> Zo niet, waar lag het volgens u aan? (bv. gebruik van communicatiemiddelen, taal/stijl gebruik, paste niet bij locale waarden, etc.)? <u>Heeft u nog suggesties/ opmerkingen voor het verbeteren van (toekomstige) uitingen over Wessanen's corporate identiteit?</u> (zowel vanuit Corporate Communications als locaal niveau vanuit uw bedrijf)?

III	Communicatie binnen en tussen OpCo's & cultuur
	- Bent u voldoende geïnformeerd over Wessanen's HQ en zusterbedrijven, wat betreft hun promotie van de Royal Wessanen corporate identity, maar ook hun strategie, producten, merken en diensten? Over welke OpCo's weet u meer/minder? Zou u nog meer willen weten (bv. info over prestaties en uitdagingen van de zusterbedrijven). - In hoeverre denkt u dat uw bedrijf zou profiteren/toegevoegde waarde krijgen van communicatie tussen de bedrijven door? Zo ja, wat zou er volgens u moeten gebeuren om die interne communicatiebanden te versterken? Welke organisatie functies zouden daar het meeste baat bij hebben: zou het dan in het algemeen of functioneel (marketing- of finance specifiek) moeten zijn, of allebei? - Hoe zien uw organisatiecultuur en opzet eruit[2] (bv. hierarchisch, clan-cultuur, groepsverband of individualistisch, etc.) en in hoeverre heeft het invloed op de communicatie en branding process?
IV	Interne communicatiemiddelen
	Het gebruik van interne communicatiemiddelen is nog niet gestroomlijnd binnen en tussen alle Wessanen OpCos: elk bedrijf gebruikt momenteel nog hun eigen intranet of nieuwsbrief, waardoor en minder cross-company interactie bestaat. Wat is uw mening daarover? Welke boodschappen communiceert u en welke middelen gebruitk u daarvoor locaal? Hoe bepaalt u welke communicatiemiddelen worden gebruikt om bepaalde boodschappen naar de werknemers/ collega's over te brengen? (wat zet u bv. in het interne nieuwsblad en wat op het locale intranet of op "all-staff" e-mail)? *(Hier het "Overview Internal Communications Network" als back-up gebruiken)*

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[2] *Hier het CVF **culturele dimensies diagram gebaseerd op Cameron & Quinn (1999) gebruiken***

	Corporate Communications zou een Wessanen-perspectief aan de interne communicatie willen geven en een IC platform creëren. ➤ <u>Welk soort boodschappen zouden door de HQ direct naar uw OpCo gecommuniceerd kunnen worden en bij welke boodschappen is het nodig dat u zelf als gatekeeper functioneert?</u> Kunt u daar wat concrete voorbeelden uit de praktijk van noemen? (Bv. wat vroeger wel/niet heeft gewerkt).
V	**Corporate Intranet**

	Ik zal nu een paar specifieke vragen stellen over het global corporate intranet – Octopus.

Inhoud specifiek over corporate identity	**Algemene intranet inhoud**
➤ <u>Denkt u dat Octopus een geschikte communicatiemiddel is om "A-D-T" principes onder uw medewerkers te bevorderen en waarom?</u> Welke andere communicatiemiddelen (of combinatie ervan) vindt u (meer) geschikt en waarom?	➤ <u>Helpt Octopus u genoeg om informatie/leuk nieuws te vinden over Wessanen's HQ en de zusterondernemingen en hun activiteiten?</u> Kunt u uw weg vinden op octopus? Is bepaalde informatie moeilijk te vinden of ontbreekt er iets? Heeft u aanbevelingen wat betreft de inhoud en structuur van Octopus?

➤ <u>Vormt het feit dat Octopus alleen in het Engels is opgezet een barriere </u>voor u zelf of uw medewerkers/collega's bij het bedrijf? Zo ja, welke verbeteringspunten kunt u aandragen?

➤ <u>Wat zou u aan Octopus evt. willen </u>veranderen (bv. interactiviteit, levendigheid) en hoe ziet u dat proces vanuit het praktische oogpunt voor zich (wie gaat voor inhoud zorgen, etc.)?

➤ <u>Heeft u het idee dat Octopus gebruikers zouden profiteren van uitgebreide publicatierechten</u> (bv. als u zelf uw eigen berichten op Octopus direct zou kunnen plaatsen, zonder dat het via Corporate Communications hoeft)? Zou u daar gebruikt van maken? Denkt u dat alle Wessanen medewerkers daar berichten op zouden kunnen plaatsen of moeten de publicatierechten beperkt worden tot communicatie professionals, zoals u zelf?

VI	Tot slot
	Ik sta op het punt om het interview af te ronden. Voordat ik het doe, wil ik u nog even vragen of u bepaalde opmerkingen of ideeën heeft over de onderwerpen die wij zojuist hebben besproken. ➤ Heeft u aanbevelingen over wat er (globaal zowel als locaal) aan interne branding bij RW verbeterd zou kunnen worden zodat er meer trots en eenheid binnen de multinational ontstaat? ➤ <u>Welke interne communicatiemiddelen zouden volgens u het meest effectief zijn bij het bevorderen van de trots binnen en tussen alle Wessanen OpCo's?</u> Welk soort berichten zou gecommuniceerd worden, door wie en hoe (bv. wereldwijde interne nieuwsbrief, beter gebruik van Octopus, per kwartaal video berichten door de CEO, jaarlijkse medewerkers bijeenkomsten met de CEO, etc.)? Hoe ziet u uw eigen rol in dit proces? ➤ Zijn er nog mensen binnen uw organisatie met wie ik er nog over zou kunnen praten? ➤ Kunnen wij, zo nodig, nog contact met u opnemen voor verdere consultatie of informatie? *Wij zijn aan het einde van dit interview gekomen. Hebt u nog spontane opmerkingen over de inhoud van de vragen, of heeft u een vraag gemist?* *Dan wil ik u bedankt voor uw tijd en medewerking.* *De vervolgstappen zullen bestaan uit het afnemen van meer interviews met alle communicatie verantwoordelijken bij alle Wessanen dochterbedrijven, het analyseren en rapporteren van de bevindingen. De samengevatte conclusies en aanbevelingen die uit dit onderzoek naar voren komen, worden binnen 4 à 6 weken naar u toegestuurd.*

Appendix 3a

Flexibility & Innovation

Internally focused

Externally focused

| employee-oriented, teamwork, participation & shared goals | open to change, outside oriented, creative & risk taking |

| efficiency through formal structures, policies & procedures | customer-, productivity- and results-oriented, seeks profit & competitive advantage |

Stability & Control
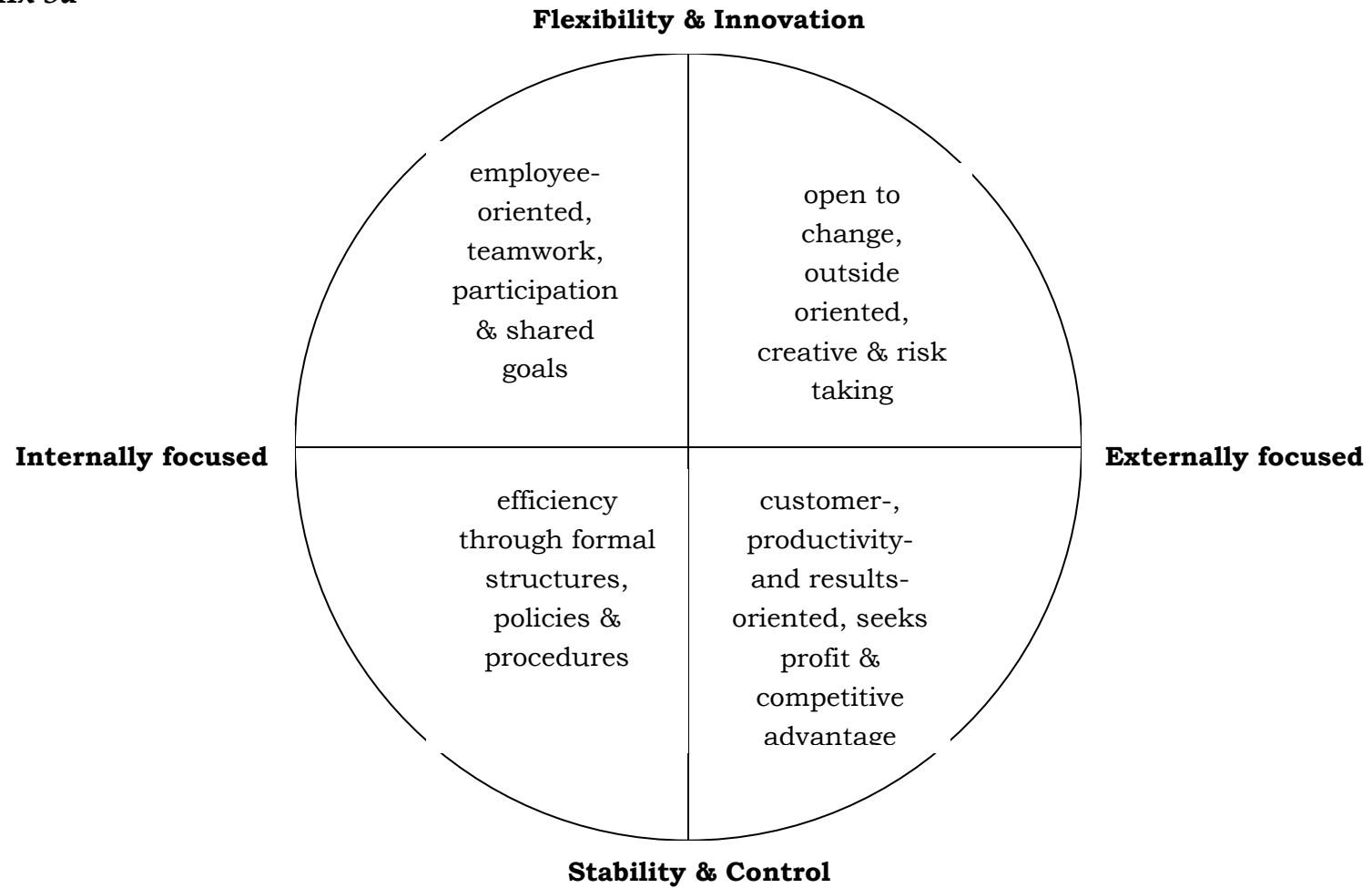
Four types of organizational culture
Source: Cameron and Quinn (1999)

3b

Flexibiliteit & innovatie

gericht op de werknemers, goede interne verhoudingen en gezamenlijke doelen

dynamisch, innovatief, (risico)ondernemend en "je nek durven uitsteken"

Intern gericht

Extern gericht

formele structuur en processen, werken volgens regels en procedures

klant-, productie-, winst- en resultaatgericht, consistent

Stabiliteit & controle

Flexibility & Innovation

TOL NA/CA

TOL UK/KALLO

employee-oriented, teamwork, participation & shared goals

open to change, outside oriented, creative & risk taking

PANOS

Allos/Tartex

ABC

Internally focused

Rigghi/Bio Slym

Wes BE

Distriborg

Natudis

Wes NL

Externally focused

efficiency through formal structures, policies & procedures

customer-, productivity- and results-oriented, seeks profit & competitive advantage

Stability & Control

Appendix – case studies

In this chapter the empirical data collected from the case-studies will be presented. 18 telephone and face-to-face interviews were conducted with respondents from 10 operating companies of Royal Wessanen and the corporate head office.

All of the case-studies are structured by the measurement instrument – the interview guide and follow the same main sections: alignment of local and corporate values and principles, locally used internal communication tools, internal communications in relation with company culture, cross-company communications, views on the global intranet, fostering pride and community feeling.

I) United States

1. (a) NA company profile

Tree of Life began as a small department in a neighborhood grocery store on Anastasia Island, just across Matanzas Bay from picturesque St. Augustine, Florida. That was in 1970, when the products requested by early natural foods shoppers were very hard to find.

Today, Tree of Life is proud to offer retailers, from coast to coast, a complete selection of natural, organic, specialty, ethnic and gourmet food products. Tree of Life has a long and colorful history continuously driven by meeting the needs of the ever-increasing numbers of American's who choose a lifestyle of "Living Well". Our relationship with the "living well" shopper and with the retailers where they shop is at the very core of both our company's mission and strategy. As the nation's leading distributor of natural, organic, specialty, ethnic, and gourmet food products, Tree of Life has helped thousands of retailers, from the largest supermarket chains to the smallest independent stores, meet the constantly growing demand for products that help Americans to "live well."

Tree of Life offers the industry's most complete selection of natural and specialty food products along with our proprietary Smart Assortment^{SM} marketing service to help our customers increase their sales and profits.

For over 30 years, Tree of Life has provided retailers throughout the United States, Caribbean and now Canada, with the products, services and the marketing edge that adds to their bottom line. Welcome to the Tree of Life Web site, tour our site and learn more about how we help retailers turn trends into transactions. [3]

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[3] Wessanen intranet

Alignment of local and corporate values and principles

Kelly Kosmin: *"The values and principles are mirrored at TOL NA; they are being driven through the HR initiatives. Values are being incorporated through various meetings, e.g. the president meets 2-4x a year with the management teams where he brings up the authenticity, transparency and sustainability".*

Furthermore, creating prominent awareness of the core values and business principles and putting effort in internal communications at TOL is very important, since the company is so big and dispersed entities don't generally communicate internal wins and successes with each other on a regular basis, unless expressed through their management teams.

Locally used internal communication tools

Further, the corporate identity is being promoted through:

- Senior management meetings and quarterly state of the company conference calls with the entire TOL NA and ABC US associate base;
- Training programs supporting business excellence;
- The national associate newsletter "Team Tree";
- Cross-functional meetings are frequently held at each distribution centre, so that each facility's managers can meet cross-functionally and communicate about the state of their business;
- Local intranet is used because it offers up-to-date and useful information as well as practical and work-related regulations about compensation & benefits; and the TOL NA Business Manual which contains all significant procedures, processes and related templates. It is also a means to promote different company programs.

Internal communications in relation with the company culture

The culture of Tree of Life NA is more externally focused, with a clear emphasis on productivity- and result-orientation, which is due to the nature of the distribution business.

TOL NA counts over 3,000 employees and associates at widely dispersed business units across the country and there is little opportunity for awareness of each other's successes, so right now HR pays a lot of attention to teambuilding activities and incentives, locally and nationally. This also determines the type of IC-tools and channels that are being used. Teambuilding activities include (ISO or MEDIC) trainings and employee engagement, rewards and recognitions programs.

Cross-company communications

There is regular communication between the US- and Canada- based operating companies; through management teams and within HR and Communications. National associate newsletter, "Team Tree" is distributed to TOL NA business units and directly mailed to all TOL associate's homes; a few TOL management staff occasionally receive ABC's newsletter "The Mix".

However, the communication with the EU-based businesses and communication about their activities is strictly limited to the semi-annual WIN conferences.

On the other hand, if something major happens, CC sends press releases, which is probably sufficient for the TOL associates, as internal communications are important but are probably not their top-priority due to sales and daily work.

Global intranet – Octopus

Due to the fact that there are many field sales people (approx. 1500) at TOL, not physically located at a facility, who mainly rely on face-to-face, mail, and telephone communications, Karen Winant said that they cannot expect from them that they will be using Intranet spontaneously, because they are unable to access the company's internal network to view the intranet without physically going to a facility to access a kiosk station or lobby pc.

Octopus could be a very effective tool for the associates with direct network access, if it served as an internal communications platform and contained more human interest content where people would be included in news; but at this point it is being used very infrequently at Tree of Life. Octopus needs re-introduction and re-invigoration, because at some point the communication about its purpose has stopped, both from TOL as from CC, as Karen Winant said.

It would be beneficial if the corporate head office did something about Wessanen-wide internal communications through Octopus, by informing employees about the other companies at the Wessanen group and by making sure that information is submitted on a regular basis from every subsidiary. *"Building a strong internal communication-sharing platform would be enriching, regarding the various internal newsletters and magazines that could be shared, posted and accessed by all the subsidiaries"*, said Karen Winant.

Both Kelly and Karen think realistically about the implementation of resources and the availability of people at their company, and maintain their communication resources locally and nationally to support our One Way of Working strategy. TOL and the other NA subsidiaries (PANOS & ABC) as well as other international subsidiaries could regularly contribute materials, providing regularly updated news.

Fostering pride and community feeling

Right now a step forward has been made to enhance associate communications at TOL with the launch of "Team Tree" one year ago in April 2007, which aims at engaging and motivating employees with news from around the company, "Sharing Excellence from Every Branch"; distributing information in this way enhances the community feeling.

Moreover, exposure to the company identity through slogans, programs and posters helps to unify associates at each location and to create a sense of belonging to the same company. Also the quarterly conference calls/addresses of the president, Richard Lane, help in fostering team spirit while keeping the associates informed about important company events and news.

"For ensuring pride and commitment in the workplace, and to engage the associates, we should start-off locally with associate recognition rewards and motivational programs. Only then start looking abroad, at what the sister companies are doing, to enhance existing programs - the global intranet could be a suitable platform for sharing notable programs, news and successes internationally," says Karen Winant.

Alignment of local and corporate values and principles

There was a bit of confusion from Jamie Moody concerning what's exactly the difference between the core values and the business principles versus their goals. He understands what the key words Authenticity, Sustainability and Transparency stand for, but it is quite difficult to explain this complex story to the work floor. *"Simpler statements about what we are really trying to do – would be better"*, he said, *"and in order to translate the values and principles into daily work – they need to be simplified and brought closer to people".* And further there is not so much exposure of the regular employees to the corporate identity.

Locally used internal communication tools

- A periodical newsletter "Getting to Know You" or as it is called locally, "Who's who in the Zoo", which is produced bimonthly and e-mailed to all employees: it is a very good initiative locally, because it contains a business update and is a regular communications platform that people can read at their leisure

- TOL CA employees also get the "Team Tree" newsletter from TOL NA – sharing North-American achievements and successes.

- Suggestion/idea boxes, where people can put comments and ideas anonymously, so that Jamie Moody can address them during their quarterly communications sessions with the staff at each facility. (The quarterly communications update is for all staff, office and warehouse personnel)

- Annual round-the-table luncheon -interviews with people from warehouses and the office, with no supervisors or managers present. As warehouse staff doesn't have internet, not even in the lunchroom yet, this is a very good way for them to get involved.

TOL CA company culture is focused on flexibility and innovation, with an emphasis on teamwork. That can also be traced back by looking at the internal communications means they utilize.

Cross-company communications

Helen Morrison said that they don't hear all that much from sister companies in the EU, but she thinks it is ok, because obviously people at TOL CA are already overwhelmed with the over-communication among all the North-American-based companies. It is not a top priority, also due to lack of time; however, CC could bring it creatively.

Global Intranet – Octopus

Octopus offers great opportunities to communicate Wessanen-wide, as it is a platform that could be built further on the communication about wellness and lifestyle (e.g. nutrition tips and wellness stories to anticipate on people's feelings). "*There is more coordination needed about Octopus from the CC*", by that Jamie Moody means reminding people to go and check it out, because people just don't go on Octopus on a routine basis, unless there is a reason to do so, simply because they are busy. Furthermore there is a language barrier for the French associates.

When it comes to creating an internal communications platform, Jamie Moody, as a big proponent of "workonomics", thinks of Octopus having an additional capability of becoming an open-source, wikipedia-type of Knowledge Management environment, where people could go on and post things, learn from each-other's business experiences, achievements, successes and maybe create a communications blog. It should be on broad themes, instead of function-specific, and the content management should go via CC with the cooperation from a local key communicator/gatekeeper.

Fostering pride and community feeling

Overall Jamie Moody stressed that <u>more communications is needed to inform employees what the whole Wessanen and its key drivers (authenticity-sustainability-transparency) are about.</u> That could really bring in the Wessanen-feeling to all the OpCo's.

2.   ABC company profile

American Beverage Corporation (ABC), a diversified non-carbonated beverage company, is part of the Dutch parent food group Royal Wessanen. Founded as Daily Juice Products in 1960, ABC began as a small door-to-door juice company in Verona, Pennsylvania, a suburb of Pittsburgh. ABC is still headquartered in Verona, but they have grown to become a large manufacturer and marketer of non-alcoholic cocktail mixers, ready-to-drink cocktails, juice beverages and spring water. Their products are nationally distributed in grocery, mass merchandisers, liquor stores and on-premise and they are the third largest US producer of non-carbonated bottled fruit drinks and a leading manufacturer of kids' beverages. Their main manufacturing facility in Verona is vertically integrated with manufacturing, blow molding and R&D expertise.

All American Beverage employees are committed to total customer satisfaction. They are dedicated to meeting legal, regulatory and customer requirements, and to the continuous improvement of our management operating system. Their quality and environmental objectives include: Profitability, Customer Satisfaction, On-time delivery, and Operational excellence, Reduction of scrap, returns and damages.

Mission Statement: "ABC, through our partnerships with employees and suppliers, will maximize consumer value by providing quality beverages in all classes of trade to meet the needs of our customers".[4]

Interviewees –Tony Battaglia (President); Tim Barr (Marketing Director)

Alignment of local and corporate values and principles

ABC is well aware of the Wessanen vision, values and strategy statement and the look of the desirable corporate identity. At ABC those values are shared strategically. But on a daily business level there is a discontinuity, because some of their products fall outside the Wessanen scope. Some do fit, because based on the premium taste strategy they match the product portfolio. Tony Battaglia added that especially the authenticity strategy isn't very strongly carried at ABC, because being a unique beverage company within Wessanen, they are not going strong on the organic portfolio, but they are consistent on the Premium Taste, all natural, no preservatives and indulgent products.

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[4] www.ambev.com

On the sustainability front, employees know about it, improvements are being made but it doesn't live at the work floor level; however the posters, leaflets and the sustainability report are good tools for creating the awareness and ABC is trying to comply with Wessanen's drive for sustainability and CO2 reduction. "*But the <u>sustainability issues here in the US are not evolved to the same level as they are in Europe. EU is far ahead, and this may be due to differences in culture and definitions of sustainability</u>*", says Tony Battaglia.

Throughout the organization's offices they have various promotional posters that stress the corporate identity – core values and principles. These are pretty pictures, and they hope that through exposure, combined with reinforcing them by the newsletter, everyone is getting them. People know that their job needs to be consistent with values, because it is part of the performance review system – incorporating the Global Core Competencies and Key Performance Indicators – values and principles are basically translated to the work floor and individual performance.

Locally used internal communication tools
- Primary quarterly internal communication tool: The MIX, for about 500 employees.
- Direct monthly department meetings that usually start with a senior staff meeting with the President, then department heads meet with their respective teams to share the information.
- The broader communication tool for communicating between ABC and Wessanen is the quarterly business review where a recap of performance and the key issues facing the company are submitted in writing.
- Suggestion box / Q&A at manufacturing facilities
- Local Intranet with practical information and work regulations

Internal communications in relation with company culture
Company culture is driven by flexibility and innovation, because growth through innovation is the essence of their business. Therefore they have a very flexible work system and culture that can be adjusted and adapted to changes in market conditions. Further, their internal and external cultural dimensions are perfectly in line: it starts

externally through innovation and satisfying the consumer (ultimate end-user) and customer (trade business partners) demands and wants, and then it drives what ABC does internally. They communicate very frequently and in an open manner. Entrepreneurship lives very much at ABC, and since it is a part of Wessanen core values, it can be stated that they incorporate this value much more than the business principles, because they can really do something with it.

Cross-company communications

Cross-company communication is limited to the US, as they exchange newsletters with TOL and PANOS and are well aware of the US businesses, but very little communications occur with the EU companies. The question is if it's needed? There should certainly be a way of sharing more information about the sister companies around the world, however it need not be frequent; just 3 or 4 times a year is ok, so that other companies' achievements would be captured in an essence and people would not be suddenly overwhelmed with information they don't care about in their daily work and what doesn't affect them in a concrete way. For instance, an email from CC on a semi-annual basis – with a short summary/overview of key-business performances, new product launches and acquisitions and other highlights of achievements and successes the operating companies have would be a good idea. ABC's field sales people all have access to email; plant personnel doesn't, so operations people distribute to them what's going on through information boards in the lunchrooms.

Views on the Global Intranet – Octopus

Octopus is now being used very rarely, mainly due to the lack of time and that it's not a top priority, but a nice-to-have. So if CC would like to encourage and trigger people to use it more frequently, it would require a reason: there must be something in it for them in order to visit Octopus.

Recommendations on how to attract more readers:

- Teaser headlines in emails or web links to attract readers, e.g. "go to the Wessanen intranet and find out about a new acquisition", or "new product launched in France yesterday".
- Make it more alive: pop-ups on the intranet homepage, human interest.

-   Fun incentives where people can win something, to get them in touch with news.

Tony Battaglia mentioned: "*If we want to take Octopus seriously, there should be a meeting semi-annually on how to make it a powerful tool for all the operating companies (except for looking up the share price, etc.).* <u>*Because now Octopus is not a living and breathing entity and the operating companies are not taking any ownership of it*</u>". It would make sense if there were some forums or communities on Octopus where department heads could share information and learn from each-other's experiences, e.g. new ideas in marketing, production or packaging.

A pitfall of such tool could be extra added workload if you had to explain a lot to other people about what you are doing. If they don't really understand ABC business (manufacturing process) explanations are very time-consuming, as Tim Barr said.

Further, making extended editorial rights for intranet is a good idea, but only via the key players, because if it becomes open for a lot of employees it could get too fuzzy. Moreover, someone would need to encourage people to post messages and create buy-in from employees.

All in all, it would be very helpful if CC coordinated and reminded people about Octopus more frequently, whereas ABC could provide them with input at any time, it just doesn't have to be too overwhelming at once.

Fostering community-feeling and pride

At ABC they are linking core values to internal PR and branding among their employees by implementing various employee reward and recognition programs, this helps to enhance pride and emotional bond with the local identity. The global commitment to the holding could be reinforced through cross-company communications and global HR initiatives, apart from just measuring the engagement.

By showing locally at each operating company what the sister companies do, creating awareness about each-other's successes and achievements, and telling more stories would give a greater sense of belonging to the Wessanen Group: who's who, etc. People at operating companies will not take time and effort themselves to get a picture of what the sister companies are doing, unless Royal Wessanen helps them, by bringing that information closer to them and their everyday life. From ABC side they could

increase this type of communication through the newsletter. This combined with recognition programs and rewards from the corporate level could really help enhance the pride, because recognition is vital for it. <u>For instance, sending out congratulatory messages from the parent company to the daughter companies when they did something successfully, can evoke feelings of "being a part of a successful international company".</u>

Of course more frequent meetings, e.g. president with the senior staff, followed by dissemination of that information to the department heads and the rest of the employees, would get employees better informed and let them know that they are appreciated. As face-to-face is the richest way of communication when sharing accomplishments in business, there should also be more meetings on a Wessanen-wide level (not only at the top-management level). Knowing what other people in your functional area are doing really can foster and add value to the internal communications.

Of course it would be an easier sell if all Wessanen operating companies could buy each-other's products in their own countries, but that is not yet the case. So an opportunity of instilling pride in Wessanen could go via another route: communicating about successes and having more HR recognition incentive programs.

Inform about each-other's successes → instill pride locally → pride in an international company that is performing well

3. company profile

PANOS brands™ is a new company that manages only Wessanen owned brands and is created to manage a unique and defined portfolio of natural and specialty food and beverage brands. The company finds its origin in the Liberty Richter Corporation, which has split into two companies as of the first of the year, the new Liberty Richter and PANOS brands™. Liberty Richter is now essentially an outsourced division of World Finer Foods and manages brands for third party clients.

*The P.A.N.O.S. acronym, which captures the essence of the company's mission of offering **P**remium, **A**uthentic, **N**atural, **O**rganic and **S**pecialty foods, means torch or beacon in ancient Greek.*

Included in the portfolio of 15 brands are such leaders as KA-ME® Asian cuisine, Sesmark® crackers, MI-DEL® natural cookies, Soya Kaas® cheese alternatives, Amore® gourmet pastes, and Better Than Milk® soy and rice milk. Other notable brands include Downey's® liquor cakes, Swan Gardens® organic hummus, Balanced® ready-to-drink meals, Tap 'n Apple® spreads, Bonvita® pâtes, Mr. Sprinkles® dessert toppings, and Chatfield's® natural baking ingredients.

PANOS brands™ commenced operations on January 2, 2007 and is based in Saddle Brook, New Jersey.[5]

Interviewees – Kathie Borkowski (VP Operations); Bonnie Jedrzejczak (Director of Finance)

Alignment of local and corporate values and principles

Kathie Borkowski: *"By being a marketing company of a branded group the local values and principles are in line with the ideals of Royal Wessanen".*

Further, the Wessanen value boxes and posters are good because these are nice-to-look-at tangible material representing the core values and business principles. But the management at the different operating companies has to stress to the associates during

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[5] Wessanen intranet

the communications meetings what those values and principles really stand for and translate them to the work floor level.

Locally used internal communication tools

Firstly, a lot of face-to-face communication is going on at PANOS:

- "Bagel meetings": monthly company-wide meetings are a good way to talk about the state of affairs and engage employees in thinking together. Ownership (of a certain policy or procedure) is strongly emphasized at these meetings: promoting the fact that *"this is your company"* and *"what would you do / how would you treat it to improve it"*. Those physically located outside of the office in Saddle Brook, are involved through conference calls.

- Senior management meetings on the state of affairs and business are held weekly; thereafter the managers share information with their teams and involve them.

- Other beneficial team meetings: finance, operations and purchasing teams get together on a monthly basis and get involved in improving processes and procedures and common issues. These meetings are of a very problem-solving, information-sharing and process-improving nature. They are focusing on both the external customers (end-users who buy the products, Wessanen shareholders and the corporate management) and internal customers (colleagues).

Apart from face-to-face means they also utilize the Lotus Notes system and the internal PANOS share drive software system, which serves as a local intranet.

However, with regard to teambuilding, PANOS prefers their company meetings over digital IC-tools, so that at least 30 minutes a week are spent on talking about various issues that affect their company at that moment and make sure everything is understood, whether it is about PANOS, TOL or Wessanen.

Internal communications in relation with company culture

Because the company culture is mainly related to a family culture – at "bagel meetings" company performances are being discussed in a very open and engaging way. PANOS managers are big proponents of letting their employees know how the company is doing

in terms of performances against the previous quarter or year. New ideas are brought up at these meetings.

PANOS is a company consisting of 6 regional sales managers, production people and a distribution facility with a relatively small group of associates counting approximately 35 people in total. The size of the company allows them to communicate a lot face-to-face, which makes the internal communications is a lot easier than at TOL NA.

Their communications is very much based on teamwork, participation and ownership, not only at a management level, but at all the associates. For instance they recognize the accomplishments of the associates to foster a team-spirit. PANOS' human resources department is a big proponent of doing fun social things concerning teamwork building, e.g. company outings like golf and bowling.

Cross-company communications

Communications with the US-based colleagues are sustained partly through synergies that allow cost advantages on operational, marketing and logistics levels.

In the internal communications between the US and EU opportunities arise at the:

- Semi-annual WIN conference
- Marketing conference
- Quality conference

Usually 1 or 2 associates from PANOS attend these meetings in Europe. Kevin McGahren-Clemens (Man. Dir.) usually attends the WIN, is involved with TOL, ABC and RW as a whole, and shares the most relevant issues with company representatives (at the Bagel meetings). *"In that way the cross-company communications aspect shifts forward and it is fine where it makes sense for the business"*, Kathie Borkowski said. This shows that PANOS is also externally involved.

Views on the Global Intranet – Octopus

Even though CC create awareness about Octopus as a means of communications by publishing (financial) reports, press releases and news on it – the associates are still neglecting it simply due to the lack of time. They operate in a top-cost environment and

resources are kept low, so people are strangled with time pressure of getting their primary work done efficiently, and Octopus doesn't provide them with this efficiency.

Furthermore, in Kathie's view, Octopus is more oriented towards the EU audience, rather than being really relevant for the US businesses. So Octopus is available to everyone, but there's little motivation and people are not triggered to go visit it. Octopus could only help if it were providing some helpful tools to get the work done. Right now, PANOS uses the TOL intranet, which has a more personal meaning to employees, because it is more driven towards US audience (business manuals, etc. are local).

Fostering community-feeling and pride

The best way of building team and community feeling would be having more meetings with real people from the whole organization, whether it would be on the marketing, sales, finance, purchasing or operational level. The problem is that it's very costly, considering the transatlantic distances.

In the past, Wessanen has provided very engaging and interesting training tools, e.g. the MEDIC program or the "Customer Day", which had great teambuilding advantages:

- Training activities are bringing people together, so that the training is remembered and retained.
- Company-wide Wessanen training tools have proven to be effective at PANOS with good and clear training objectives. Associates pay attention to that.
- Trainings should also be attractive and fun in order to boost involvement, participation and sharing; moreover it works well on memory. E.g. the MEDIC training was done with M&Ms, which was a great teambuilding, fun and learning process. On "Customer Day" they created a dessert: having employees working together to achieve goals.

4. Wessanen Corporate head office

Royal Wessanen nv is a multinational food corporation based in the Netherlands which operates in European and North American markets. Focusing on high-quality authentic food, their products range from pure natural and healthy foods to Premium Taste food products. They aim to continuously increase their shareholder value by capitalizing on their differentiating capabilities in category/channel management, strong brands, value-added distribution services and transatlantic alignment.

At Wessanen, the Human Resources department is located at the headquarters in Utrecht; it is responsible for: Global HR strategy and policy, Management & Organization Development, Performance Management, Compensation & Benefits.[6]

Interviewee – Henk van den Bogaart (Executive VP Corporate HR)

Corporate identity

Henk van den Bogaart stated that there is a common issue at the operating companies: (partly) because of the lack of communicating the corporate values and principles creatively and interactively to the subsidiaries they often cannot (completely) relate to them. This often results in applying the corporate identity at local levels in a way that best matches the operating company, e.g. through local newsletters and incentive programs. The good thing about it is that local management teams can see what best suits their audience; however, the downside is that it makes Wessanen companies grow apart instead of bonding them.

If the corporate head office wants to couple the Authenticity, Sustainability and Transparency to creating a bond with Wessanen, there need to be more explicit communications about these principles. In order to promote the corporate identity and make it live – the operating companies should experience on a practical daily business level what's in it for them.

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[6] www.wessanen.com

Cross-company communications around a certain theme need to be enhanced, according to Henk van den Bogaart, for instance a common product introduction at 'Whole Earth' UK and Germany. Concentrating on certain periodic themes and building activities and training or engagement programs around it is much better than combining all themes in one or jumping from one thematic event to another.

At Wessanen, most companies would identify themselves with sustainability, others with authenticity, and others with innovation or indulgence. And Wessanen Corporate could stimulate activities on those fronts.

Views on the global intranet – Octopus

With regard to Octopus – at present Van den Bogaart perceives it as a static library-database, which can be replaced by other information sources: *"It would be good to develop it to an open source, which employees would have to visit inevitably, for instance like a "yellow pages"-type of database containing information about who is involved with what, because right now employees from different OpCo's have no idea about the sister companies' businesses. Again, the A-S-T could be more promoted through Octopus, among other tools. And most importantly – there needs to be more curiosity around this tool if you want to get employees to visit it. It has to offer something engaging and valuable for people. You could conduct monthly polls or launch project-teams".*

Commitment to Wessanen & Company Pride

Due to the strong controlling nature of the Wessanen corporate head office the internal communications tend to move to the background, whereas it would be more effective to concentrate more on the good and successful happenings at Wessanen, in order to boost the positive image with internal stakeholders.

Right now Royal Wessanen is a vague concept to the majority of employees; in order to avoid that and create more awareness, the business principles need to be integrated in programs and presentations that senior managers / Executive Board give during their visits to the operating companies.

Recognitions need to be integrated too, so that people experience a result of taking part in these programs – something they can take to their homes and show to their families. Something they can be proud of, which is part of being at Wessanen.

5. Wessanen NL company profile

Wessanen Nederland bv is market leader in the segment of authentic branded products in the Netherlands. The company represents brands such as Zonnatura, Beckers, Merza, Royal Mail and Patak's.

As of October 1, 2006, the offices of Wessanen Nederland bv are located in Utrecht. This new organization combines the forces of Beckers Holding and Boas, creating a professional and market-oriented organization which delivers added value services to our customers, consumers and employees.[7]

Interviewees – Jan Koeyvoets (VP HR and Operations); Inaria Kaisiëpo (Directors' Secretary)

Alignment of local & corporate values and principles

Wessanen NL is quite familiar with the corporate business principles and values. By taking part in promoting them among their employees the company is aiming at steering their behavior and embedding them in the company culture. This happens in a very concrete manner, for instance including the corporate identity description in the recruitment procedures and ethical processes.

"Regarding the extent to which the desired corporate identity matches with our own identity, I can say it's a bit questionable. I will explain why: a significant part of Wessanen NL business consists of Frozen product category (Beckers frozen), which makes them difficult to be classified as authentic. They are more "Premium Taste" than "Health", but they do match with the business strategy. Despite the fact that authenticity, sustainability and transparency are considered important at our company, it is not like authenticity actually lives among the Beckers plant employees. However, Wessanen NL tries its best at internal branding and is trying to incorporate the values and principles. It's just that some are more applicable at our company than the others. We really do our best at sustainability and traceability of ingredients to their primary source", said Jan Koeyvoets.

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[7] Wessanen intranet

Beckers and Zonnatura have very intrinsic principles that are carried by the employees and which are also reflected in their brand identity (Premium Taste and Health products) however, at the product category "Frozen" (Beckers) authenticity is a value that isn't carried very strongly, due to the nature of the products. And although they don't have an ethnical origin, like the other products, they strive at making their whole production process as traceable and sustainable as possible, thereby compensating it on the sustainability and transparency side. For frozen convenience food this means mostly on a regional level.

All in all the opinion of Wessanen NL is that <u>Wessanen's desired corporate identity is a positive thing, but it is logical that each company has to find their own local interpretations of it, and has to position itself to their employees as well: not everything has to be defined by the corporate head-office.</u>

Locally used internal communication tools
- Posters and leaflets, all kinds of Wessanen promo-materials are being used to promote the corporate identity at Wessanen NL;
- Quarterly meetings on long-term business goals;
- ISO-processes are being coupled to identity;
- Monthly (informal) company meetings at the cafeteria where the results, evaluations and recognitions take place;
- A non-commercial local intranet with practical daily work-regulations, procedures, compensations & benefits regulations for the employees.

Internal communications in relation with company culture

Jan Koeyvoets said that Wessanen NL is right now striving to become much more entrepreneurial, because the internally oriented and stable environment that, in his view, is being created through the head office needs to be shaken off. There is too much controlling right now, forming an obstacle for innovation and entrepreneurship and creating own identity.

Cross-company communications

Wessanen NL has neither an overview of the means of communications that the other operating companies are using internally or externally, nor a clear picture of how the sister companies are doing. That is a missed opportunity on the internal PR side, because exchanging information and news about the businesses, acquisitions and successes of the sister companies is a good thing to learn from, and it can enhance the feeling of being part of a multinational corporation. Probably information of sister companies arrive only at corporate head office not realizing that 2 companies are hosted in Utrecht.

"Between now and then there is an occasional newsletter of Natudis at the coffee-corner, but there is no structure in it. Besides, Wessanen NL doesn't have its own internal newsletter, like it used to have a couple of years ago", said Inaria Kaisiëpo.

Views on the global intranet – Octopus

The global intranet doesn't provide Wessanen NL with the information they need on a daily work basis, so they are turning to their own developed source – the local intranet. The idea of Octopus is good, it's just that is has been developed from the corporate view, not taking into account the needs of the OpCo's.

Jan Koeyvoets mentioned that by doing all their communications work for the operating companies, CC is absolving them of their communications responsibilities. Hence they have to find ways to empower the subsidiaries to do more work themselves.

However, Inaria said that people need to be constantly reminded of the purpose of Octopus, because they don't see it as a potential tool that could unify different Wessanen companies.

Another barrier is the availability of internet to all the employees – as Wessanen NL has production facilities with no access to the new media tools. The language barrier undermines the connectivity as well, as the most people at Wessanen NL (plants) would prefer communicating in Dutch.

Fostering community-feeling and pride

At this point Wessanen NL has too few engaging tools for the employees and neither does the recognition exist. This, of course, undermines the pride feeling. Wessanen NL

has first to become more entrepreneurial and be more proud of their achievements and if the corporate head office recognized it – that would instill pride in being part of Wessanen multinational as well.

Hence, the internal communication needs to be aimed at putting the (smallest) successes centrally. <u>People have to re-discover themselves as being part of an initiative-rich and entrepreneurial company.</u> Therefore CC should trigger more initiatives, but let the operating companies find their own ways of implementing these initiatives.

6. NATUDIS company profile

Natudis B.V. is the largest brand-supplier and distribution company of natural and organic food in the Benelux. From their location in Harderwijk they supply approximately 10,000 different products to about 1,000 natural and organic specialty stores and supermarkets in Netherlands and Belgium.

Pioneer in market-thinking in an idealistic food sector
The basis for the present Natudis was made in 1981 with the foundation of Natufood BV in Ermelo. The goal of the founder, Fred van Bruxvoort was to make healthy and environmentally friendly products accessible to a broader audience, through efficient distribution and strong brand development. He did that in an unconventional manner for the former natural and organic-food sector: a market-oriented way of working, a sharp balance between price and quality and the use of professional marketing instruments. Natufood has expanded and become a market leader in the Benelux, partly due to taking over Akwarius and Fertilia, and was meanwhile renamed: Natudis. In 1997, Natudis moved into a bigger location, which at the same time allowed the implementation of a more efficient logistics system. Meanwhile, the warehouse has expanded again with 3,500 m2.[8]

Interviewees – Xander Meijer (General Manager); Eline Holten (HR Manager)

Alignment of local and corporate values and principles

The core values and business principles of Wessanen are very well incorporated at Natudis. It is actually not surprising that the corporate and the local identities are in line, because Natudis is all about authentic, natural, sustainable and traceable products.

These are, however, very broad principles, so they are made more specific and explicit to match with Natudis' daily business, for example through the mission statement. "*In order to make the core values really live at the company it is very important to let Natudis employees know what we as company stand for*", said Meijer, "*although the posters and value-boxes that were provided by Wessanen were received very well, they have not proven to be*

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[8] www.natudis.nl

highly effective, because they were not concrete enough for us. But there certainly is a connection with the core values and principles of Wessanen".

Locally used internal communication tools

The internal communications means used locally at Natudis include:

- Dalton-news (6x per year): is the internal company newsletter for employees where the core values are also incorporated;

- Natunews is another periodical newsletter;

- Assortment news aimed at suppliers and retailers and several promotional folders and flyers of the new formula of "Natuurwinkel"-stores;

- Semi-annual HR-conferences lead by Henk van den Bogaart;

- A lot is communicated via e-mail and face-to-face during the bi-monthly personnel meetings, where business issues are reviewed and evaluated.

Internal communications in relation with company culture

Company culture has been shifting from the internally-oriented towards externally and production- and profit-oriented dimension.

In total 170 employees work at Natudis Netherlands, Belgium and Germany (150 of whom are based in the NL). In the past the focus was mainly on uniting the whole company, so it was more on the HR-side, whereas now it is becoming a more entrepreneurial and market-conscious organization.

Cross-company communications

On the departmental level within Natudis there are good communications, because it helps the business. So in order to strengthen the cross-company communications, there need to be sensible grounds for that. <u>Bringing Wessanen together can be facilitated through various training programs,</u> when people are gathering together on a semi-annual basis. This type of training programs are not being received very openly at Natudis right away, but on the longer term they have proven to be very improving and effective, as Xander Meijer mentioned: *"For instance, the 'lead-buying' (purchasing) teamwork creates a good basis in terms of cross-company communications".*

Creating an internal communications platform is a tough thing to do through digital internal communication tools. The added value of a global intranet could be maintaining contacts that already exists, because first contact needs to be created on a personal level (face-to-face), so that then in can be maintained through various digital tools, and not vice-versa, as Xander Meijer said. The corporate intranet could help bringing people together, letting them see and feel the sister companies.

Furthermore, Eline Holten commented that it cannot be assumed that the OpCo's are automatically motivated to use Octopus intranet, because at present a lot of employees have forgotten or are not informed about it, as there are no continuous reminders and communications about the aim and contents of this tool.

Fostering community-feeling and pride

Holten stressed the importance of delivering advantages of certain communication tools for the employees: *"What's in it for them? It also has to be engaging and fun to use"*.

Moreover, according to Xander Meijer, creating an emotional bond with the fact of being part of a very successful, sustainable and honest company is crucial for fostering commitment and pride. That could be done, for example through:

- More CEO video messages for the employees, because he is the face of the company;
- More face-to-face communications and teamwork;
- Rewards and recognition programs based on sustainability or something that the operating companies can identify with;
- Using a mix of various up-to-date and triggering people's curiosity internal communication tools: TV broadcasts, videos, newsletters, presentations, intranet, website;
- Having more allure about Wessanen on the international market (*being successful* > *communicate about it* > *pride*).

7.   Wessanen BE   company profile

Wessanen Belgium is a subsidiary of Royal Wessanen nv, which aims at marketing and branding of Health and Premium Taste products. Wessanen Belgium represents the brands Beckers, Zonnatura, Gayelord Hauser, Bjorg and many more on the Belgian and Luxemburg markets. It also represents retail of the Kühne-brand in Belgium.

Their expertise in the various distribution channels and category management analysis, make Wessanen Belgium one of the most important players in the Authentic Health and Premium Taste Foods in Belgium en Luxemburg.

Since September 2005, Wessanen Belgium is located at their new offices in Leuven (Wijgmaal). At this new location Beckers and Distriborg are brought together, which makes it a professional and market-oriented organization that adds value to their customers, consumers and employees.[9]

Interviewee – Marc Waelbers (General Manager)

Alignment of local and corporate values and principles

Marc Waelbers said that the tangible materials, which were provided by the corporate head office the last time, have proven to be a good way of incorporating the Wessanen identity at our company: *"The posters are hanging on the walls at the offices and the value boxes are on each table".*

In order to introduce these materials at Wessanen BE, Waelbers had organized a two-days meeting, in order to highlight and explain the corporate identity to the employees. He has done it by letting people make assignments and pictures, related to the values and principles, and he also explained what they mean on a practical daily business level.

"However, when I stopped communicating and repeating the meaning of those values and principles to the employees, I noticed how little was left hanging in the employees' minds, especially at the lower level", said Marc Waelbers, *"People are not constantly busy with*

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[9] Wessanen intranet

Furthermore, the nature of the Beckers brand and business is frozen production, which means that they are somewhat falling out of range of Wessanen's key product portfolio. They do, however, still fit into the Premium Taste category. As about 80% of the Wessanen Belgium team (totally consisting of approximately 30 people) is working with frozen, they generally have less in common with the business principles than do the rest of Wessanen subsidiaries.

Locally used internal communication tools

Wessanen Belgium mainly relies on face-to-face communication, considering the small size of the team. They are also utilizing e-mail and quarterly meetings where they discuss the state of affairs and highlight certain people, achievements or results.

Internal communications in relation with company culture

The company culture was described by Marc Waelbers as being very external, result-oriented and entrepreneurial: the company is striving to promote and position their brands in Belgium.

Cross-company communications

While the cross-company communications are limited to the general manager, he expressed willingness to let his employees hear more about the sister companies. There should be more of a two-ways communication between the corporate head office and the subsidiaries. CC can direct and coordinate, that will stimulate the operating companies to share information among each-other through some common tools.

With regard to the cross-company communications, Wessanen should communicate more via internal (digital) newsletters, which could be integrated or spread via CC.

Views on the Global Intranet – Octopus

The majority of Wessanen BE employees don't look on Octopus simply because most of them are experiencing a language barrier, and those people whose English is good, are already in the management team and get informed well enough about everything that's

important to their jobs. Besides, Octopus content is very static, it is like a library. The navigation and interactivity could also improve in this regard.

Octopus could be a useful tool, if it became more alive. For instance, having special marketing or sales communities, who would learn from sharing their experiences and successes in business (e.g. a plant-closing or a supermarket-opening).

Fostering community-feeling and pride

In order to create a stronger bond and community feeling Wessanen BE needs to tell more to all of their employees about what other companies do and get more involved with RW as a whole. But that should not only be done by the local management – corporate head office (especially from the CC, Marketing and HR-side) could also add their perspective, by implementing more global activities and incentive programs. Waelbers stressed the importance of a two-ways communication: operating companies could provide CC with their important news and information, and CC should also try to find latest news and updates by approaching companies themselves.

Marc Waelbers said: *"The best way of creating an emotional bond at the employee level with the Wessanen Holding, is to make the corporate head office more approachable and bring back the human aspect, while now the corporate head office often is looking where and what went wrong and who was responsible for that. Pride will appear once there are successes to celebrate, because people would like to be proud of a successful company"*.

If CC would like to boost pride by using the values and principles, they should be brought continuously in a creative and engaging way, for instance by doing something on a regular basis that would grasp the attention of employees and be close to their everyday work.

At this point in time, Wessanen Belgium is very externally oriented, and is trying to position itself strongly on the Belgian market. Such external promotions take up a lot of time, so they would be very grateful if CC provided their company with information about the sister companies, and after that the management team would disseminate that information on a way that best suits their employees.

8. (a) Allos company profile

For over 30 years now the name Allos is associated with premium organic food specialties with a great taste. Allos products are widely available in German health food shops. The assortment includes honey (> 30 varieties, predominantly organic) and honey specialties, pure fruit spreads, full grain cookies, amaranth specialties (mueslis) and vegetarian food products.

Besides high-quality nutrition the company also promotes ecological agriculture, as this forms the basis for a healthy environment and pure and natural food.[10]

(b) Tartex & Dr.Ritter company profile

The Tartex + Dr. Ritter GmbH are one of the most important manufacturers of vegetarian and functional foodstuffs.

Tartex is the leading brand in the German new-form health food shops and in specialized health food shops abroad for vegetarian meat and sausage alternatives. Its competence ranges from vegetarian pâtés, vegetarian spreads through ready-to-serve meals and sauces to vegetable broth, mustard and binding agent.

Dr. Ritter is the dynamic brand in the German new-form health food shops and in specialized shops abroad which supplies natural, scientifically examined natural products for important dietary problems.

The Dr. Ritter range is clearly labeled according to a color code, making things easier for the consumer.

All GRUENER HOOF products come from controlled ecological cultivation and taste like "homemade". Since 2000, GRUENER HOOF has supplied top quality organic fruit spreads with reformed sweetening agents, organic honey and organic corn products.

Of course, all our products also satisfy the strict new-form quality guidelines which are much more stringent than the valid German foodstuffs laws.[11]

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[10] Wessanen intranet
[11] Wessanen intranet

Alignment of local and corporate values and principles

Since honey is one of the prominent products of Allos, Frank von Glan stated they can really identify with the honey-posters ("*Passionate about Authentic Foods*") that were provided earlier by CC. Basically all the promo-material coming from the corporate head office, including the value boxes are welcomed at the German operating companies, partly because Allos and Tartex local values and way of doing business are much related with the Authenticity, Sustainability and Transparency.

Locally used internal communication tools

The internal communications means used locally at Allos & Tartex include:

- Local intranet for HR purposes and email;
- Notice boards at production facilities;
- Semi-annual employee business review meetings;
- Allos' internal newsmagazine (3x/year); also distributed at Tartex;
- Important information is distributed through the monthly payroll at Tartex;
- Tartex has a computer with internet access available at the company cafeteria for all employees who don't have a PC.

Internal communications in relation with company culture

Both Allos and Tartex are employee-oriented but in different ways. For instance, at Tartex the culture is more inclined towards internal and stable focus, because of the excellent formal working conditions (high salaries and benefits/compensations regulations); whereas Allos is more externally focused and flexibility and innovation oriented. Since Allos' history is rooted in family ties, feeling of togetherness and doing things together, it has also more of a family culture. Moreover, that is well reflected through their local newsmagazine, which includes a lot of human interest articles.

Cross-company communications

As Feninger stated, overall communications among the German businesses and with Whole Earth at operational level are good; but there is not so much information coming about the other operating companies of Wessanen.

"The question is, however, if it's needed", as Von Glan said, *"Why would people care about something that doesn't directly affect their personal interest and daily work? Except for when there's something that triggers their interest and curiosity. In our case these are themes around biological products, etc."*

Views on the Global Intranet – Octopus

With regard to Octopus – since many German employees would prefer having all the communications means in their native language, Octopus would benefit from a translation-function, as Frank von Glan said.

Daniela Feninger added that providing more reminders about what's new on Octopus and creating a link between their local and global intranets would help to attract more visitors.

Fostering community-feeling and pride

The corporate head office could set an example to every OpCo by implementing sustainable initiatives at their location in Utrecht, e.g. the office building relying on solar energy power or supporting the non-GMO actions or the anti-climate change programs. So that OpCo's would see that all the corporate controlling activities are supported by actions at the corporate head office as well. That would eventually unify people at various Wessanen companies, because they'd stand up for Wessanen doing something outstanding in the area of corporate responsibility.

In addition, Daniela Feninger mentioned that all kinds of HR incentive programs and sports competitions are a good way of bringing people together to do something in teams. For instance, she recalled soccer competitions between Dutch and German Wessanen teams, which was really unifying and involving for people who participated.

Finally, Frank von Glan proposed a way of building the internal communications platform around *awareness* ➔ *liking* ➔ *pride*. The first step is generating more awareness and understanding of common values and principles through informing

employees about their sister-companies' businesses. Then liking could evolve from a connection with the ecological, sustainable and social themes that the German OpCo's value highly. For instance, recognition programs help to boost pride, if OpCo's perform outstandingly on the sustainability or other business-principle-related front.

9. (a) Righi company profile

Righi is an Italian company located in Reggio Emilia, where is born the famous typical cheese Parmigiano Reggiano worldwide known.

Righi products are ready in a few minutes, without defrosting, it's only necessary enough to cook them and serve. With the typical "Erbazzone", a puff-pastry pie with spinach base stuffing and the other Righi specialties, you can discover the genuine and simple ingredients of the old times that also today become refined recipes.

Righi has in fact maintained some important artesian process steps like in the tradition of baker's shops: puff-pastry is still produced with dough sheets and rollers. [12]

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(b) Bio Slym company profile

In March 2006, Wessanen announced the acquisition of Bio Slym Srl, Italy. Located in Viadana in the Mantova region, Bio Slym produces high quality soy products under two brand names - Sole e Natura for health food stores and Vita Slym for grocery channels in Italy.

Bio Slym was set up in 2004 as a spin-off from Rossi & Caletti Spa, a market leader in the manufacture of food processing equipment. While still in the start-up phase, the company revenues are increasing, and rapid growth is anticipated in the coming years. Joining Wessanen opens opportunities to enter markets outside Italy.

The company's suppliers of soy beans are a dedicated group of Italian farmers. This supply strategy not only ensures the traceability of raw materials but also that all soy beans GMO free.

On the process side, Bio Slym is a storehouse of know-how on the fully automated process of soy milk production that Wessanen can draw on. Being close to the food processing equipment manufacturer, Rossi & Catelli, offers a major advantage in scaling up production and expanding plant capacity.[13]

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[12] Wessanen intranet

[13] Wessanen intranet

Alignment of local and corporate values and principles

Because the Italian activities are split in two businesses, the internal branding process goes via two routes:

- Righi has (frozen) premium taste and authentic products with ethnic and traditional roots;
- Bio Slym produces healthy and sustainable products, so it is easier to promote Wessanen business principles and incorporate the identity at this company, because here people can better relate to RW ideals.

Awareness and match between the corporate and local identity is strived to achieve through the Wessanen promotion materials, posters with the business principles, translated into Italian, which are used at the offices.

Aside from awareness and information, actions are undertaken to let people live according to these values and principles in the daily business:

- Since 2 years, when the Italian business was taken over by Wessanen, safety measures have been taken: at production facilities and workers were informed about the fact that safety problems were analyzed and improved, because of a deep belief in and respect for the safety of people working for Wessanen ;
- Marco Guidi has deep-rooted beliefs about sustainability and safety, so real measures were taken to improve it, e.g. machines were changed; people safety and behavior at factories were improved.

Such a sustainable approach was very much appreciated by the workers; however, it is too bad, since most of them don't understand English, they could not read the sustainability report.

Locally used internal communication tools

As the two small companies (Bio Slym = 17 people; Righi = 50 people) have different type of jobs, there isn't much need for internal communications between them, thinks Marco Guidi. Only a few sales people create linkages on the commercial side. And there

is no need for new-media tools for them to do that, because all communications go face-to-face.

Internal communications in relation with company culture

Company culture has two different stories, both family/clan-related. The culture of Righi is rooted in history and tradition; it was owned by an old entrepreneur who built the company in the '80s. A small company that it was, culture had to be re-built, when Guidi became the general manager. Right now his main task is teambuilding: a team that is capable of working with him, but also when he is not present. In the past years two different teams were built:

-   Management team, amongst whom they discuss main company issues;
-   Innovation team, since innovation is the main driver for growth.

That resulted in Marco Guidi describing Righi's culture as a mix of a family culture (rooted in the company history) and the ad-hoc culture (open and innovative).

With regard to Bio Slym, which is a new company that was born two years ago, with no previous culture, it has been built according to the same teamwork-principle. With the start-up company building the culture was easier, said Marco.

Cross-company communications

The cross-company communications with the sister OpCo's on informational level Guidi sums up as:

-   General Manager meetings 3-4 times a year help to obtain all the vital business information;
-   Quarterly Business Meetings allow him to obtain the product- and innovation-related highlights.

This allows him to get informed well enough; after those meetings he can share all the important information with his management team.

Views on the Global Intranet – Octopus

Octopus is not used much, because only few people have access to internet and intranet and because they mainly rely on face-to-face communications. The 4-5 English speaking

people from Righi and Bio Slym also participate at the Management Meetings and get to know all the information there.

Fostering community-feeling and pride

Sharing successes is vital for enhancing a community feeling. Therefore, more information from Wessanen about the parent and sister companies would be beneficial, in order to stimulate the emotional bond and the community feeling. The biggest barrier is the language, since only 4-5 people can communicate in English. So if CC would facilitate the Italian businesses with accessible Italian-translated information it would be great. Marco Guidi: _"For instance, translating the highlights from the sustainability report would be really appreciated, in order to let people know that it isn't just a vague principle, but a way of working"._

In terms of both nutritional balance and developing people's taste for foods from different cultures, Distriborg Group offers a wide and targeted selection of products. Its European subsidiaries additionally market their own-label products, major foreign exclusive brands and wholesale lines.

Over the last ten years, the Group has launched or made improvements to approximately 15 of its own brands, positioned in various food market segments. Today, they occupy the number one position. They are increasingly common throughout Europe.

Distriborg also provides an effective service for foreign manufacturers by marketing well-known foreign products.

Finally, the Group is a simple wholesale distributor for selected specialist outlet products. Whatever the activity, Distriborg has the advantage of having thirty years experience as distributor of specialty foodstuffs.[14]

Interviewee – Christine Serval (HR Manager)

Alignment of local and corporate values and principles

Christine Serval said that Distriborg is going strong on promoting the local company values, as they have recently finalized them. The local values and principles are very much in line with Wessanen's. Moreover, they are extended with some additional core values that match their specific business environment and business strategy: Responsibility & Engagement, Authenticity & Ethics, and Performance & Success.

"Incorporating and making the identity of Distriborg live is having each employee carrying the core values and principles, by having an object on each desk that represents them", said Christine Serval. Value boxes and posters are examples of such tangible promo-objects. They are consistent with the vision of Distriborg of being the pioneer of the alternative food, by promoting organic, diet and ethical products to a maximum of people, and prioritize the development of company's brand portfolio and the reinforcement of social and environmental responsibilities.

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[14] Wessanen intranet

Locally used internal communication tools

- Quarterly meetings which include references to behavior-related values, priorities and vision, held at the Distriborg HQ and at Bonneterre;

- Annual management team meetings held in January, aimed at sharing financial results and motivating managers for new objectives;

- Quarterly printed company magazine for all employees "Distriborg news"; it's very general, because it is read by over 500 people.

- Local intranet with specific marketing & sales parts; it includes legal and HR issues for employees; very useful and work-specific on a daily basis and contains vacancies and new product information.

Internal communications in relation with company culture

The company is very externally oriented and is striving to improve and innovate. Hence, entrepreneurship is very much highlighted in all communications, both internally (to the employees) and externally (to the clients and customers).

Cross-company communications

It isn't enough yet, only through press releases from Wessanen, according to Christine Serval: *"I think we should talk a lot more about what happens outside Distriborg. We need to be more open, for instance by putting more news into "Distriborg news", being more involved and sharing news with our employees"*.

Marketing and sales would especially benefit from these cross-company communications. On the other hand, more general subjects would also be interesting, because Distriborg news has a very broad audience (over 500 employees).

Overall, Distriborg is very much in favor of informing the Wessanen Group about their achievements and successes. It would also be beneficial to communicate function-specific and departmental-level information across subsidiaries so that companies could learn from each other.

Employees prefer using local intranet over the global, because it concerns their everyday life, practical work procedures and legal regulations. People are concentrated on themselves right now. There is, however, a plan to create a link on the local intranet to the global corporate intranet in order to create more readers for Octopus as well.

The major reason for not going on Octopus is the language barrier at the work floor level. The other reasons are that it needs to become more alive, fun, engaging and connected to people. *"People are interested in people, so more video's and interviews with the employees would create the community-feeling"*, said Serval.

With regard to the content management, Christine Serval is a proponent of free and non-obligatory nature of posting messages and creating content for Octopus, whenever news is available. Key players at each subsidiary should be informed that as soon as something that deserves attention occurs at their company – they should make a selection and create an article, story, video testimonial or videos on best practices and successes and submit it to the CC department, who will then disseminate it to the whole corporation. The central communication tools should stay in hands of CC, because Serval thought that they, as a central communications service, have a better overview of the interests and needs of all the subsidiaries.

Fostering community-feeling and pride

On this topic Christine Serval commented that it is vital to communicate about happy and good news, in order to bring people together: *"Best practices and successes need to be shared more. We also need to concentrate on common grounds that we have with some sister companies, new acquisitions and partnerships"*.

11.　(a) TOL UK company profile

Tree of Life are the UK's largest Wholesaler and Distributor of Natural Products to the Health Food Trade. Located in the heart of the United Kingdom Tree of Life are ideally situated to provide a first class, scheduled next day delivery service to our wide and expanding customer base.

Occupying a warehouse of 85,000 sq feet Tree of Life offer an extensive portfolio of over 8,000 product lines covering a full range of Vitamins and Supplements, Foods, Drinks, Bulk and Pre-Packed produce.

In addition to these activities Tree of Life produce their own consumer magazine, Natural Lifestyle, which is distributed nationally via Health Food Stores.[15]

(b)　KALLO company profile

The company started out as a family business over 20 years ago. Through a strong following of loyal customers and our commitment to producing products they demanded, we have grown to a sizable team today. The need for healthy snacks, that don't compromise on taste, has seen us grow our business from rice cakes, where we are still market leader, to soy snacks, cereals, drinks, crackers, breadsticks and even more. We remain one of the biggest users of organic ingredients in baked products today. As the demand continues to grow for healthier food, we should taste even more success over the next 20 years.[16]

Interviewee – Ann Chambers (HR Manager)

Alignment of local and corporate values and principles

The local internal branding process is very much in line with the ideals of Wessanen. This comes back in promoting the Wessanen corporate identity when Ann Chambers explains the whole philosophy of values and principles to new employees. The key drivers A-S-T are very important for the UK businesses, so Ann also tries to explain the link between the corporate identity to local businesses, e.g. how the authenticity works at the local basis at the UK operating companies. Local line managers are getting linked

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[15] Wessanen intranet
[16] Wessanen intranet

through to the parent company. All in all, there is a good match between the local and the global identities, both in terms of values (winning and entrepreneurship mindsets) and principles.

The tangible materials, posters and value boxes, which were provided by Wessanen, are also quite appreciated at Kallo and Tree of Life UK. The sustainability report is lying at the Kallo office foyer; so in case visitors are waiting for an appointment they can read through it.

Locally used internal communication tools

On a semi-yearly basis:

- Internal magazine, "Tree of life": published semi-yearly, and covers business highlights, products & brands and also human interest, like employee interviews, stories about different jobs at the operating companies, etc.;

On ad hoc basis:

- Brochure-type newsletters about compensations and benefits programs (medical insurance and pensions);

Face-to-face:

- Employee focus groups are held every 6 weeks: during meals department heads discuss and suggest various ideas on improving Tree of Life

Local intranet:

- It is not yet there, due to costs and time restrictions, but there is a strong will to develop one; and there is definitely buy-in from employees, because they would use it for practical close-to-home information, which is now only available through ad hoc printed brochures.

Internal communications in relation with company culture

Corporate culture of Kallo and TOL UK basically resembles openness to change, outside orientation, creativity and risk taking; but it also has something from the HR side, *"however that can always be improved, of course"*, said Chambers.

Cross company communications

Ann Chambers expressed that Wessanen OpCo's could communicate more amongst each other: *"For instance knowing about job vacancies at other operating companies would be good, however that is available neither on the website nor on the global intranet"*.

Views on the Global Intranet – Octopus

At Kallo offices, with only 40 employees, all have access to the internet and intranet, so they probably use Octopus on a daily basis. At TOL, however, which is a distribution and warehouse company with the most employees working there – people hardly ever look on Octopus, because of the nature of their business.

"If we will develop a local intranet, we will make a link through it to Octopus to generate more readers. It's just that our employees would feel more comfortable to get in touch with something they know about first, and from there go and read about Wessanen as a whole", suggests Ann Chambers.

Right now Octopus is a way too informative and static tool; it is not really inviting and user-friendly. It is too direct and distant from our audience. If it would be brought closer to people, with some human interest, or maybe if all of the operating companies' stories and lay-outs would be integrated there periodically – there would be like a global Wessanen online newsletter.

From the practical point of view, Ann Chambers will make herself available whenever necessary to provide any input for the sake of internal communications.

Fostering community-feeling and pride

Wessanen tends to just concentrate on the facts and numbers, being very demanding and always push some more. It is understandable, for trying to be profitable, but for the sake of fostering pride in the RW globally, every operating company has its uniqueness and they differ a lot from each-other. Even thought they are all part of RW, people cannot really touch and feel it. So the corporate head office needs to be more approachable and the human element needs to be promoted more so that employees can relate to it. That could foster a community feeling.