

The OCP Group's new challenge: energy liberation and corporate transformation

by

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Overview

The OCP Group, Morocco's leading company and a major exporter of phosphates, underwent radical change between 2006 and 2011 making it a high-performance and competitive global leader. After the CEO, Mostafa Terrab, had recruited a number of young executives and launched an ambitious plan of further training for them, he thought it was necessary to make use of the energy and talents which they represented for the company, as well as the success of the first transformation curve, to map out and reinvent the Group's future. Hicham El Habti was in charge of the co-ordination of this process which was called the 'Movement'. Gradually, the efforts undertaken showed that this ambition was broadly shared within the Group as the employees appeared very clear-sighted about it. Over a period of a few months, the effects of the process throughout the Group satisfied the CEO's expectations. As a result, he gave the 'Movement' the task of transforming the Group. Hicham El Habti explains how this process was carried out, the resulting challenges, and the opportunities it gave to the management of the company.

Report by François Boisivon • Translation by Rachel Marlin

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By the beginning of 2016, I can safely say that OCP was well recognised as a company which had made many impressive transformations over a ten-year period. This is clearly the case when one analyses the changes made by its executives, managers and employees. After he was appointed OCP's CEO in 2006, Mostafa Terrab started changing an administration which was on its last legs into a group which was ready to dominate the international market. This change was even the subject of a talk at the *École de Paris du management* in 2012¹. We regarded the success of two bond issues in 2014 and 2015 as an indication of our achievement and potential. We had become the leading reference in our sector. We had excellent results and demonstrated that we were always seeking to expand, as our unorthodox industrial investment plan showed. Even though our sector was still competitive, we had no reason to doubt our strength and ability to maintain our position as leader in the market.

Nevertheless, our CEO thought that this situation did not go far enough and did not allow us to explore the full range of the company's potential, and to challenge our Group with a plan which could exceed its true possibilities. OCP should always be growing and continually exploiting its potential rather than being content with being one step ahead of everyone else.

Mostafa Terrab had always thought that the organisation and existing processes were not adequate to liberate all the individual - and especially collective - potentials of employees within the company, which is one of the strategic approaches on which he had based the company's 'rebirth'.

It is for this reason that at the beginning of 2016 he expressed his intention to commit the Group to a new development cycle, a 'second transformation curve', benefiting from the dynamism and knowledge learned from the first curve.

Liberating energy

The CEO had the feeling that the Group's new development cycle would be generated by focussing on its human capital, which was its most strategic resource. One of the most pertinent and visible transformations in the structure of OCP over the past ten years has been that the average age of its employees has dropped from 45 to 35.

The CEO considered that it was time to adapt the company to this dimension by 'liberating its employees' energy in order to allow the Group to bring about the development cycle which it needs'.

The CEO was well aware that the path he had chosen for the Group was likely to challenge management on all levels. 'Liberating energy' involves giving employees the opportunity to express themselves and to reconsider their decisions. It is also about agreeing to make a paradigm change, questioning beliefs and well-established models, and devising new ways of thinking. It therefore involves changing the management status quo and managerial practices in the workplace.

This paradigm change can be illustrated by Douglas McGregor's two theories describing models of workforce motivation whereby employees do not want to oppose decisions from their management hierarchy. They include decisions about organisation and the system (Theory X) and participative management (Theory Y). The X and Y theories should be able to coexist, complement each other and be expressed, as the CEO told his management team, 'Our legitimacy of representing Theory X depends on our credibility of representing Theory Y'.

Over several weeks, he organised numerous work sessions with the management team in order to devise a group plan which incorporated the many ways in which this energy could be liberated. It involved a great deal of work, and was a major challenge for the Group. The CEO put me in charge of the operation of this process.

1. Pascal Croset and Amar Drissi, "OCP: the anatomy of a radical transformation", Business Life seminar, École de Paris du management, May 11th, 2012.

Committing the company to this path meant leaving the relative comfort of the existing model although there was no need to do so, and immediately adopting this dynamic process in a voluntary and 'no-obligation' way.

The longest day

On April 4th 2016, after three months of discussions and group work sessions, general management was ready to commit to the new phase. We met with fifty of our employees whom we had chosen because they were representative of the company's diversity, in terms of their age, sex, geographical location and job description. In the course of this day, we explained our plan and asked these employees to commit themselves to this new process by becoming leaders of this transformation.

We launched ourselves into this initiative with the certainty that we would reach the desired goal, but at the same time with a great deal of uncertainty about the means and ways in which we would get there. This is why we called this process a 'Movement' rather than a 'project' as the latter is a word used within the company and evokes schedules, timetables, deadlines, pre-defined results, and so on.

During the April 4th meeting, we discussed the opinions of twenty employees who, prior to this meeting, had anonymously answered a questionnaire including the following questions: 'What is your vision for OCP?', 'What are its assets?', and 'What obstacles are in its way?' These interviews gave employees the opportunity to express their expectations and, above all, their ambitions and commitment to the Group. Their answers were expressed in about two hundred and fifty catchwords or phrases which were relayed to the audience.

The nature of the discussions during this launch-day set the tone for the 'Movement' and outlined our thinking regarding this process. Everyone understood the need to 'chart his course' during this 'journey' which was certainly a direction chosen by management whose 'commitment' was obvious, but it was equally built on suggestions made by the employees. The 'strength' shown by general management and its executives to call themselves into question is the sign of a 'cultural change'. Everyone was asked to put forward suggestions.

Therefore, April 4th, 2016 was the day when we did not discuss contracts or pre-defined strategies, but agreed to a common ambition, based on three major directions: to make OCP a global group in the next five to ten years; to make it strongly digitally-based; and to create a company with enterprising employees.

Learning how to be free

General management made it very clear that it did not really know the course necessary for this transformation which would result in this new, desired cycle of development. It asked its employees to bring about this change. In other words, it was the responsibility of OCP employees to outline the terms of the process, find the solution, and define the topics, teams and methodology.

General management promised to listen to them, support them, and guide them in discussions which were intended to be positive without predetermining or influencing the direction to be taken.

Qualifying not quantifying

The fifty employees present that 'first day' in April were trailblazers. Their aim was to disseminate the process very quickly according to a rhythm and format which they were free to define themselves. The three targets of OCP's objective – to make OCP a global group, to be strongly digitally-based, and to have a company with enterprising employees – resulted in a 'discussion day' organised one week after the launch of the 'Movement'. These debates gave rise to 'Situations', the name we gave to autonomous groups of employees who put forward proposals and suggestions with the aim of launching creative action and to generate revenues for the OCP Group.

Despite the absence of a pre-defined strategy, these groups turned out to be very creative. They demonstrated their ability to react intelligently in certain situations, substituted the lack of control by establishing a form of self-regulation, and created their own methodology.