

# Cadbury plc

## Interview with CEO

### Transcript

#### **Interviewer**

I am really curious about what motivates people to do what they do, what drives them to work so hard, and I wanted to ask you what drives you, what motivates you?

#### **Interviewee**

I am a self-described adrenalin junkie. I love to accomplish things. I had two great parents who always challenged me to do the best that I could do in a broad range of things. I just love to be a part of a team that accomplishes really great things.

#### **Interviewer**

On that note, how difficult is it to manage a successful life and a successful career at the same time? Are there any conflicts that come about and how do you overcome them?

#### **Interviewee**

It is very difficult. Being a leader in any organisation gives greater responsibility to your life as a professional. It naturally gives you too much to do, but your family is your most important asset in the world. Your job, your profession, ultimately goes away and your family is what is left to sustain you. So you really have to be thoughtful about making sure you have enough time for your family.

#### **Interviewer**

Tell me a bit more about your leadership style, how you lead your team and the company as a whole.

#### **Interviewee**

I would say my leadership style is inclusive, it is focused and it is energetic. I believe that people need to do things at pace. They need to be and hire the best people that they can. I love to be surrounded by smart people. I completely admit I am not the smartest person in the world and that I like to have smart people around me because, frankly, the quality of the combined work product is better.

**Interviewer**

Talking a bit more about the company, what is your goal for the company over the next few years? Where do you want us to go?

**Interviewee**

I want us to be the biggest and best confectionery company in the world. We have a terrific vision into action that describes a very holistic plan for our business for the next four years. It starts with a vision; it has a purpose, a guiding objective; it has a scorecard; it has several priorities; it is underpinned by sustainability commitments and cultural descriptors. It is all there for anybody to see. At the top of it all, it is being biggest and best. Greater investment for us in places like Latin America, Africa, Asia and India is crucial.

**Interviewer**

How is Cadbury better placed than our competitors to actually capture these emerging markets?

**Interviewee**

We have platforms. We have been investing in Africa since the early 1900s, in India since the 1920s, in Latin America since the 1920s. So we have been there for a long time, we have created distribution systems, and we have created consumer relationships through brands. We have just been there longer, and we have a platform on which we can build.

**Interviewer**

Many people talk about a new global era emerging. There is an increase in the globalised world, greater interconnectedness, primarily through communications, and the role of finance is increasing. How is Cadbury equipped to deal with this global era?

**Interviewee**

We are equipping ourselves to deal with the global era, starting in 2003 when we restructured our business to focus on regions and functions as opposed to countries or bigger business units. Again, we are splitting our beverages and confectionery business to focus on the confectionery business, so that we can use that regional structure to greater focus on the confectionery businesses we have on a global basis.

**Interviewer**

What about global consumers?

**Interviewee**

One of the ways that we have sought to equip ourselves on a global basis is by conducting a global market research study on confectionery. We interviewed consumers in 80 countries across the world to determine their preferences across the chocolate, gum and candy universe to get insights on how they use confectionery, consume it, buy it, what their preferences are about packaging and flavours. This database, which we call Pathfinder, was remarkable in that, in a world where pre-2003 Cadbury Schweppes thought that things were different everywhere, the research showed that for the most part people view our products in much the same way across the world. That enables us to make observations and conclusions, develop products and processes, that are more consistent across the world, and that therefore create greater efficiency and lower the cost of actually rolling our products across the world.

**Interviewer**

What about diversity in the workplace? Do you think that is important? Why? How diverse is Cadbury?

**Interviewee**

Diversity is crucial. I described to you the concept of having the best people around you, not only do you need the best people, but you need the best mix of people, people from different places, and people with different perspectives. So the ultimate contribution that is made to Cadbury Schweppes has the best of as much as you can possibly get, from as many places as you can possibly get it. I would not say that we yet have the best mix of people. We have a goal of having 25% of our senior leaders, by 2010, as women. We bounce around in the 15 to 20% range, and we need to have a better mix of senior leaders who are women. We need to accurately reflect, from a nationality basis, the right mix of people in our business. As a CEC we have Asian, European, and American, we are trying to have the right mix of people. It is the responsibility of every leader in the company, and every person in the company, to make sure that there is the right mix of people.

**Interviewer**

Talking about CSR and sustainability, you have made it a part of Cadbury's mainstream business, why is that?

**Interviewee**

It has always been an unspoken part of our business, and when I had the chance to be the leader, as it were, I thought that it was important that it be placed on an equal plain with the business goals that we have, so that people sit up and take notice. There is a somewhat overused expression called 'inspect what you expect', but if you do not have a specific goal or a KPI for leaders they tend to

'sloth off' a bit – I am not being evaluated on that so I am going to focus on the things that I am evaluated on. I thought that if I expected the senior leaders of the company to do good as well as do good business, I needed to put them on notice that they were going to be inspected on what their efforts were, on social responsibility and doing good.

### **Interviewer**

Moving on to more specific programmes, what does Cadbury get out of an initiative like Purple Goes Green?

### **Interviewee**

It gets cost savings from using less water, electricity, and heat, because they have insulated and created more efficient processes. It is a symbiotic programme. It actually helps the environment and it helps Cadbury Schweppes save money. So it is this push me – pull you programme that works both ways.

### **Interviewer**

We made a substantial investment in to the Cadbury Cocoa Partnership, £44 million, why is that? What is the rationale behind it?

### **Interviewee**

The rationale is that cocoa is one of our principle ingredients in the business that is the biggest business we have. If we do not come up with a way to help the people who grow our cocoa feel as if it is a great occupation, that is it worthwhile, that it is healthy, that it is something to be handed down to the next generation, then we run the risk of not having enough ingredients for the main product that we sell. Again, it is a thoughtful way of creating a perpetual supply of our main ingredient that works well for the suppliers of that ingredient. We created the cocoa industry in Ghana in 1908, we have a responsibility to keep that industry sustainable.

### **Interviewer**

If you had to sum up Cadbury's future in three words, what would they be?

### **Interviewee**

Biggest and best.