



# LEADERSHIP RESOURCES

Leadership and Team Development Specialists

## Case Study – PD Ports Embarks on a Leadership Development Odyssey

PD Ports is a leading ports and logistics service business based in the North of England and also operating throughout the UK from bases at other key ports and logistics centres. Owner of the second largest port by volume in the UK, PD Ports employs more than 1300 people and handles millions of tonnes of cargo every year.

The business was acquired in 2000 by Nikko Principal Investments with a 4-year plan to improve the business. With a new management team in place by 2002, Leadership Resources was invited to help develop a new culture of team-working and positive leadership – essential ingredients for a profitable business.

### **Recognising People as Valuable Assets**

The new management team quickly recognised that PD Ports employees were as valuable to the business as the tangible, physical assets on the dockside. Group Human Resources Director, Russ McCallion explains: *"It was a business that was focussed on profit almost to the exclusion of all else. The almost exclusively 'bottom line' focus meant that things like training and development activities, marketing activities, things like vision for the business, were never really part of the portfolio."*

Russ continues: *"We decided we needed to do a number of things, including the very ambitious programme of changing the culture of the company from one which was really quite autocratic, to a great extent limiting the use of its management capabilities at all levels of the business. It was very much a 'do as you're told' management approach rather than 'how can we get the best out of this operation and the people in it?'"*

The directors were conscious of the fact that they weren't making the best use of their valuable employees and their management capabilities, and so embarked on a series of pilot programmes to address these issues... step forward Leadership Resources!

### **Rolling Out "Steel Wheels"...**

In early 2004 Leadership Resources started development of programmes focussing on the management, supervision and team-leader groups at PD Ports' Teesport operation. Ken Minor, Director of Leadership Resources, explains the urgent need for a development programme: *"The organisation was full of people who had been working there for 20 or 30 years, but many had not had a day's man-management training in their careers!"*



### **The Company**

PD Ports is a leading UK ports business offering end-to-end supply chain solutions. With headquarters based in the North East of England, PD Ports operates at many key UK ports and logistics centres with a growing European presence.

### **The Goals**

- Developing Leadership
- Fostering team-work
- Breaking down barriers
- Sharing best practice
- Promoting ideas

### **The Results**

- Improved Performance
- Increased Profitability
- Better Communication
- Succession Planning

## PD Ports Embarks on a Leadership Development Odyssey

*"PD Ports was tendering for a large slab-steel handling contract with Corus," explains Ken, "so we developed the Steel Wheels programme to help the Managers and dockside Team Leaders improve performance and profitability. We focussed on moving away from the 'old-style command and control' management approach to developing the softer skills of leadership, involvement and support. The whole point was getting people all the way down the line to take responsibility and ownership."*

PD Ports was successful in securing a 10-year contract with Corus Tees Cast Products (TCP) to move up to 3 million tonnes of steel slab through Teesport each year. Russ McCallion is sure that the Steel Wheels programme contributed to both winning the contract and on-going operations: *"We're convinced that part of the reason we got the contract was the way we were managing port operations at Teesport... the management leadership training we did contributed to the success of that. TCP has told us that our productivity in the slab steel terminal is amongst the best in the world!"*

### **Embarking on Project Odyssey...**

The Steel Wheels programme was so successful that in 2006 PD Ports decided to broaden the scope of the programme to include the entire management population of the company. *"The success of the initial programme really almost demanded that we do something similar elsewhere!"* says Russ.

Project Odyssey was developed to take a "diagonal mix" through all segments of the business - from Operations to Marketing, from Finance to Engineering - and included a mix of Managers from Group Directors to Team Leaders. There was full commitment from the board to attend the programmes, so Project Odyssey would involve around 140 people - from Group CEO through to people running an operation of 4 or 5 individuals.

Leadership Resources spent a great deal of time on-site, working with management teams in operations in order to fine-tune Project Odyssey to meet the requirements of those groups. In tandem with a new set of Core Values established by PD Ports to progress and develop its people, Project Odyssey was developed to cascade responsibility, involvement and ownership right the way down the line, all with a view to improving profitability. By encouraging Managers to delegate more responsibilities whilst taking on new ones, Project Odyssey is also future-proofing the business by creating an environment for smoother succession.

### **Continuing the Journey!**

In 2006, PD Ports was successfully sold to Babcock Brown Infrastructure as a profitable, growing business - and the company will continue to reap the benefits of Project Odyssey. The initial phase targeted breaking down the barriers between business units and improving performance through better communication. The next phase of the project will focus on further Team Leader development and vertical team-working to enhance business unit integration.

Russ explains: *"I recognise the value that Leadership Resources brings, because they do bring permanent change, in my opinion. The work they do delivers permanent change in people's approach to tasks and to management principles."*

*"The feedback has been so positive,"* says Russ, *"it's been as near to universal as it can be. We've got people clamouring to see what's happening next! People are saying 'we ought to do this now in our working teams' and I think that's exactly where we go with it."*