



“In the end, we are not doing things that are very different from our competitors. We’re investing, we’re transforming and we’re cutting costs. But why are we successful so far while others are not? I think it’s about the soft issues. It’s about changing the mindset of the people. What made the difference was the Good to Gold culture. This was the glue that enabled us to bring all these transformational elements together.”

— Dominique Leroy, CEO, Proximus

## Creating a growth mindset and culture of agility to return to profitable growth

Rising competition in the European telecommunications industry is pressuring companies across the sector and forcing some players to question their business models in an effort to stay competitive and relevant to customers. A flagship company of the BEL 20 headquartered in Brussels, Proximus (formerly Belgacom), the majority state-owned telecommunications, IT, and media company, was at such a crossroads. Proximus had become overly complex and slow. In addition, a period of leadership turmoil and market saturation resulted in nearly a decade of zero growth. Leaders were seeking ways to restore the telecommunications firm to profitability, regain lost market, simplify and stay competitive and relevant to customers.

In January 2014, the Belgian government appointed Dominique Leroy for a six-year term as chief executive. She joined Proximus in 2012 as executive vice president of the Consumer Business Unit after a 24-year leadership career at Unilever. In her initial EVP role at Proximus, she sponsored the culture-shaping process that Senn Delaney was helping the company to create, and it began to take root at executive levels.

### Goals of the culture transformation

As CEO, Leroy continued to engage and embed the culture transformation more deeply into the company. She knew it would be critical to help realize the goals of an ambitious strategic plan that aims to transform the business by:

- enhancing customer experience through converging and streamlining mobile, fixed and IT solutions
- creating a more efficient organization
- simplifying at all levels
- standing out from the competition by creating one clear, differentiated commercial brand — Proximus

Getting there, however, required a culture shift because agility and a growth mindset were not part of the organization’s DNA.

### Results from creating the Good to Gold culture

Leroy says the company’s ‘Good to Gold’ culture has been crucial in helping the company return to profitable growth even faster than envisioned. The culture-shaping process enabled leaders to define a common vision, purpose and strategy and communicate and align the company to it. Three key values — agility, collaboration and accountability — became the guiding values for Proximus. By instilling these values deeply into the company, Proximus began generating more openness and trust across the business, breaking down silos and creating the ‘one company’ growth mindset necessary to meet its strategic goals and be more agile.

According to measurements of the culture since October 2013, there has been significant improvement on many levels, including a 13-point increase in strategic alignment and a 12-point increase in understanding of the direction (vision mission and goals). In addition, there was a 12-point increase in decisions being made for the greater good of the overall organization, a 9-point increase in greater openness to change, and an 8-point rise in the sense of creative innovation. Strong financials for third quarter 2014 and first quarter of 2015 continued to demonstrate positive revenue performance, a growing customer base, and good progress in structural cost reduction through simplification, bringing the Fit for Growth strategy closer to EBITDA growth objectives by 2016.

