

# NISSAN CASE STUDY

## NISSAN'S LEADERSHIP DEVELOPMENT PROGRAM



Executive Education  
OWEN GRADUATE SCHOOL OF MANAGEMENT



# INNOVATIVELY GROWING LEADERS

## VANDERBILT EXECUTIVE EDUCATION

Nissan and Vanderbilt University cultivate a relationship focusing on leadership development with expounding dividends.

### Background

At Nissan, cultivating talent and growing new leaders is essential to the company's long-term success as a global innovator. Because of this, Nissan executives saw the need for an approach to talent development and succession planning that focused on new ways to grow its emerging leaders. "Innovation is our brand image and it cuts across all areas," says Mark Stout, Vice President of Human Resources for the Americas. "Within leadership development we have to continue to challenge ourselves with new thinking."

Nissan executives identified **3 Objectives** for a Leadership Development Program:

- (1) Engage key talent
- (2) Develop that talent
- (3) Retain potential leaders

They sought a university partner that could offer a global perspective; was willing to work collaboratively with senior executives to custom-design business-relevant programs; and, says Stout, "who not only understood our business but would challenge us and get us out of our comfort zone and ask, 'What are the challenges we don't recognize but need to see?'"

### Solutions

Vanderbilt's custom design approach integrated faculty subject matter experts with Nissan's business leadership team to create a collaborative, give-and-take dynamic. By collaborating with Nissan up front, subject matter experts were able to help design a program focused on the company's strategy. Nissan leaders were embedded as part of learning teams to provide perspective and feedback. To ensure business relevancy, the Vanderbilt team included action learning in all areas of the program to help participants understand how their efforts contribute to the company's bottom line.

■ **LEAD.** In 2008, Vanderbilt faculty began delivering Nissan LEAD, a program to prepare high-potential senior managers for executive positions by focusing on business fundamentals and exposing them to real-world issues the company faces. Delivered over five months, LEAD involves a diverse curriculum—ranging from corporate finance, strategy, performance-driven leadership and driving organizational change—all tailored to the context of the auto industry and Nissan's history, strategy and culture. Participants come to Vanderbilt's campus for some learning modules, while others are delivered at the Nissan corporate campus in Franklin, Tennessee. In between four-day sessions at the beginning and end of the LEAD program, participants apply what they are learning as action teams working on projects for Nissan. The program also provides tools to help participants understand and leverage their strengths to maximize their effectiveness as leaders.

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"Through these programs I believe we've been allowed to unleash some of the potential that was there all along and accelerated its development."



### William Krueger

*EVP, JATCO; Formerly SVP, Manufacturing, Supply Chain Management and Purchasing, Nissan Americas*

"While quantifiable cost savings and revenue increases are important, what's very critical is that we put people in place that can deliver at a higher level and impact the business."



### Mark Stout

*VP Human Resources, Nissan Group of North America*

"We are a growing enterprise and a global enterprise. As we grow, we need a pipeline of leaders who understand our business and can contribute to future innovation and growth."



### Anish Bajjal

*Divisional General Manager, Nissan Motor Co., Ltd.*

- **TALENT UP.** With the success of the LEAD program, Nissan engaged Vanderbilt in 2011 to develop a program that would extend their succession planning to the high-performing emerging leaders within the company. In turn, TALENT UP was designed to develop this group's understanding of all areas of Nissan's value chain - from consumers; needs to supply chain and manufacturing issues to pricing and marketing - to prepare them for the next level of leadership. The five-day program, delivered at both the Vanderbilt and Nissan campuses, includes sessions led by Vanderbilt faculty who are subject matter experts on topics such as strategic innovation, managing teams and creative problem solving. Other sessions offer "views from the inside" by Nissan executives involved in areas such as corporate planning, research and brand management, product planning and manufacturing strategy.

TALENT UP participants apply their learning immediately by developing and presenting ideas for value chain improvements for specific vehicles (such as the Nissan Leaf, which was the focus of the program in 2013).



## Results

- Sixty percent of TALENT UP participants have been promoted into executive-level positions within the organization.
- Forty LEAD executives are now leading Nissan's global expansion in Europe, Japan, China and the Americas.
- Nissan executives point to bottom-line savings resulting from team projects in the LEAD program. To cite one example, LEAD teams suggested improvements in the manufacturing process to optimize product flow on assembly lines in the U.S. that were operating at maximum capacity. "LEAD project teams have made contributions to the bottom line in the hundreds of millions of dollars," says Anish Bajjal, Nissan General Manager, International. The results, in turn, have increased buy-in to the talent development programs. "Now," says Anish, "leaders all see the value because we have contributed significantly to the bottom line."
- Nissan's leadership credits LEAD and TALENT UP with enabling participants to perform at a higher level and more efficiently than had they not taken part in the programs. "We are accelerating their development," Stout says, "and that adds to the bottom line."
- The programs enjoy high visibility among the senior management team, who are able to see the skills and talents of participants in action as they work on team projects. "Sometimes, it can be difficult to see real raw talent deep within the organization," says Bill Krueger, Vice Chairman & SVP of Manufacturing, Nissan North America, Inc. "[LEAD and TALENT UP] have allowed us to see and interact with our top talent. In many cases that has allowed us to develop mentor-sponsor relationships that wouldn't have arisen otherwise."
- Among participants in LEAD and TALENT UP, relationships with Vanderbilt professors have continued even after they completed the programs—and continue to pay dividends for Nissan. "They have one-on-one conversations on relevant business issues and get professors' advice day-in and day-out," Anish says. "It has led to continual learning."

Hear more directly from Nissan executives and learn how a custom program can provide results for your company, at: [owen.vanderbilt.edu/edi](http://owen.vanderbilt.edu/edi)



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*"With Vanderbilt we found a very easy, **open collaboration** to be able to mold the program to our particular needs."*

— Bill Krueger



*"Vanderbilt had the **global exposure** we wanted our future leaders to have."*

— Anish Bajjal

*"The success of the LEAD Program led Nissan officials to expand it from the Americas to **Europe, Japan and China.**"*

— Bill Krueger