Volvo Group magazine 5.2017

LIFE ON BOARD DURING THE VOLVO OCEAN RACE

RENAULT TRUCKS FINDS NEW WAYS FOR USED VEHICLES

HOW DRIVER INPUT MADE MACK ANTHEM

AT THE STEERING WHEEL

A CLOSER LOOK INTO LEADERSHIP WITHIN THE VOLVO GROUP

Dream big and have fun!

Y FAVOURITE STORY about leadership is the one about the hen that laid a golden egg every day. When the farmer found the golden eggs, he became so greedy that he simply counted the eggs and forgot to look after his precious hen.

You can either count the eggs or you can take care of the hen and make sure that she continues to produce golden eggs. I am a great believer in the second of these. Translated into our context, this metaphor means that everything starts with care of our people. As I see it, leadership comes from within and is a question of engaging, challenging and encouraging the people around you to let them improve their performance still further. I often use the expression "Dream big and have fun". This is a really good motto that encourages me never to be afraid of change but to see it as an opportunity instead.

The transport industry is developing at a rapid tempo and we are setting our sights on a leading position. This is why I think it is so important for the Volvo Group to discuss leadership. Both the Executive Board and I have the task of making it easy for our managers to be leaders so that they can then inspire and engage their teams and employees. This is how we build our culture and make sure that we lead our industry. To help us achieve this, we have our common values, starting with customer success.

AS A MANAGER or employee in the Volvo Group, you are encouraged to take the initiative and make decisions that drive business forward.

We all need the courage to take risks, dare to fail and learn from our mistakes so that we are more successful next time. This means that we need to move towards more value-based leadership as opposed to the kind of leadership that is governed excessively by rules, processes and guidelines. It goes without saying that we need rules ensuring that we behave ethically and correctly as a global enterprise. In this context our code of conduct is the compass that will help us move in the right direction. You can read more about the important Code of Conduct in this issue of *Volvo Group Magazine*.

When I am out and about meeting customers in different parts of the world, they sometimes comment on our corporate culture and the fact that, as a Group, we are friendly and personal in the way we act. This makes me both proud and happy. Long-term relationships are based on trust and an open, honest dialogue.

MARTIN LUNDSTEDT PRESIDENT AND CEO, VOLVO GROUP

VOLVO GROUP MAGAZINE is aimed at all the co-workers within the Volvo Group. It is published five times a year in Swedish, English, German, French, Portuguese for Brazil, Polish, Russian, Japanese, Dutch, Korean, Thai, Chinese and Spanish. PRINT RUN approx. 75,000 copies ADDRESS Volvo Group Magazine, Volvo Group Headquarters, Dept AA13400, VLH6, SE-405 08, Göteborg, Sweden PHONE +46 (0)31 66 00 00 E-MAIL groupmagazine@volvo.com EDITOR RESPONSIBLE UNDER SWEDISH PRESS LAW Markus Lindberg EDITOR.IN-CHIEF Ann-Mari Robinson EDITORS Lotta Bävman, Carita Vikstedt, Tobias Wilhelm and Åsa Alström. A Group-wide Editorial Network also contributes content. MARKET LANGUAGE REVIEW Ann-Mari Robinson EDITORIAL PRODUCTION Spoon (project team: Maria Sköld, Linda Swanberg, Nic Townsend, Pernilla Stenborg, Ken Niss, Sofia Hammarin) PRINTED BY LSC Communications CHANGE OF ADDRESS Contact your local HR TRANSLATED BY Jeanette Kliger











Volvo Group magazine 5.2017

Leading by example

In this special issue of *Volvo Group Magazine*, we explore what leadership means for employees, from HQ to the plant floor.

42 Through choppy waters

Dee Caffari shares her experiences of what it is like to captain a team in the Volvo Ocean Race.



With the newly-launched Anthem, Mack Trucks moves into the long-haul and regional transport segments.



To increase the resale value of its vehicles, Renault Trucks is successfully converting old models for new markets.



Volvo Penta has successfully forged itself as a leader in innovation in its industries – now the challenge is to stay there.

ALWAYS INSIDE

- 4 START
- 68 INSIGHTS
- 72 QUIZ

New Code of Conduct supports safe and sound business

A NEW CODE OF CONDUCT has been launched for the entire Volvo Group, which sets the expectations for how the Volvo Group does business – both ethically and in compliance with the law. It is hoped that it will help build trust, support performance and drive customer success.

"Building trust with customers, in society, and with its employees is one of the Volvo Group's most vital cornerstones in our joint strive for

PHOTO: PONTUS JOHANSSON



Sofia Frändberg, EVP Group Legal & Compliance, was one of the members of the multi-functional team that developed the new Code of Conduct.

commercial success. By following the Code of Conduct we make sure that we do business the right way, no matter where we operate," says Sofia Frändberg, Executive Vice President Group Legal & Compliance.

The Code of Conduct covers five key areas which are explained in depth, including respecting one another, earning business fairly and lawfully, separating personal interests from business activities, safeguarding company information and assets, and communicating transparently and responsibly. It addresses what the Volvo Group stands for. It also covers what is expected from everyone as a member of the Volvo Group family as well as information on how to proceed if you need help or have a concern.

THE CODE OF CONDUCT was produced by a multi-functional and multinational team led by Corporate Compliance, and the final result is a document that applies to the entire Volvo Group. The way of working ensures that the Code of Conduct reflects the Group's global business and the requirements that all employees face in a global context. ASE HALLENCREUTZ VOLVO

Code of Conduct Volvo Group



This magazine includes a short version of the Code of Conduct as a supplement. The full text, as well as other training material, is available on Violin.

Key areas

- We respect one another
- We earn business fairly and lawfully
- We separate personal interests from business activities
- We safeguard company information and assets
- We communicate transparently and responsibly



Anthony Falcon, Senior EMS Coordinator, was accompanied by Fredrik Högberg, SVP Retail Development. Many employees took the opportunity to learn more about customer needs.

Experiencing the front line of customer service

RECENTLY, the Uptime Center in Greensboro, USA, invited all employees from across the Greenboro site to spend an hour with an agent as they dealt with customer calls first hand.

"It's easier to show you what we do than to explain what we do," says Tyletha Hubbard, Quality and Training Manager.

The Uptime Center, which fields calls for both Volvo Action Service and

Mack OneCall, is very much on the front line of customer service and integral to keeping the Volvo Group's commitment to uptime.

"We in the back office rarely have contacts with customers, so I think this is a great exercise to remind us at the end of the day why we are here," says Andrea Tetto, Vice President of Market Intelligence and Planning.



Rashid Sumaila, Professor at The University of British Columbia in Canada

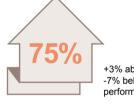
Volvo Environment Prize to ocean researcher

PROFESSOR RASHID SUMAILA, one of the world's most innovative researchers on the future of the oceans, is the Volvo Environment Prize laureate for 2017. Rashid Sumaila integrates the social and economic dimensions with ecology, law, fisheries science and traditional knowledge to build novel pathways towards sustainable fisheries.

His work has challenged today's approaches to marine governance and generated exciting new ways of thinking about our relationship to the marine biosphere. IN THIS YEAR'S Attitude Survey (VGAS), the Employee Engagement Index, the Performance Excellence Index and the Leadership Effectiveness Index all increased compared to the year before. The Values Indices also increased compared to 2016.

"Group management is really happy to see that the positive turn of the Employee Engagement Index last year continues also this year, and made a significant leap upwards. This, to me is a strong signal that we are on the right track," says Kerstin Renard, EVP Group Human Resources.

Employee engagement index (EEI)

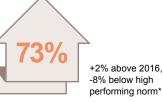


+3% above 2016, -7% below high performing norm*



+2% above 2016, -10% below high performing norm*

Leadership effectiveness index (LEI)



*Represents the performance of the top 25% of companies in IBM Kenexa's global database.

AROUND THE WORLD WITH THE VOLVO GROUP

stari



Stop Look Wave icons have been added to intersections at Safety Town, a miniature city in Greensboro, USA, which has been educating children in traffic safety for nearly 40 years.

Kids learn to Stop Look Wave

THE VOLVO GROUP'S Stop Look Wave campaign continues to spread across the globe. In Ageo, Japan, 150 fourth-grade students participated in a Stop Look Wave class organised by UD Trucks. In Greensboro, USA, the Safety Town programme has added road crossings with Stop Look Wave icons to its miniature city, while Greensboro Police have incorporated Stop Look Wave instructions in their curriculum for teaching children to cross the street safely.

"Children are the most vulnerable of all road traffic users. By providing Stop Look Wave training to our community, we are striving to do our part to help keep children safe," says Allison Long, VP Communication for VFS.



The 1,000,000th truck produced at the GTO Blainville plant in France was celebrated by all proud employees. The milestone "one million" vehicle was a Renault Trucks D. It was produced for the UK customer Pace Logistics who received the keys on 10 October.



HELLO ...

... **Eva Bennis**, Director Sustainability, Group Trucks Purchasing (GTP)

You and a colleague from Group Trucks Purchasing recently visited suppliers in South Africa. Why did you do this?

"Tomas Ekberg, who is Director Supplier Quality Assurance SQA, and I made the trip as part of our efforts to continuously check and develop GTP's supplier chain. We do this at different levels to see how things work at both our direct suppliers and their suppliers. In this particular case, we were looking at how we obtain platinum for our catalytic converters."

What impressions did you get?

"We met the management teams at our supplier, Johnson Matthey, and two of their suppliers, the Lonmin and Anglo Platinum mining companies. Most importantly, we visited Marikana, where Lonmin's mines are located, to meet employees and trade union representatives and look at the schools and hospitals the company runs. This followed up a previous visit in 2012. Advances have been made since then, even if we think that more should have happened. A great deal still remains to be done when it comes to both working and living conditions and we are continuing our dialogue in these areas."

Why is this so important?

"We believe in this way of working, with dialogues and follow-ups. This makes it clear that we think this is important. As a large purchaser, we can be involved and have an impact. This is something we must do and want to do as a means of driving prosperity through our transport solutions."

The Volvo Group Expo opens

THE VOLVO GROUP'S new HQ in Lundby, Gothenburg, now includes an interactive exhibition hall that documents the history and development of the company. All the key innovations, products, milestones and values are documented through a combination of texts, images, videos and displays.

"This new Expo hall is another very important step for the Volvo Group and

for our aim of getting together as a Group here at Campus Lundby," said Martin Lundstedt, President and CEO, at the recent inauguration of the Volvo Group Expo.

The new exhibition hall is open to both external and internal visitors, can be used for events for customers and partners and is an ideal introduction to the Volvo Group.





The new Volvo Group Expo is located in the lobby of the Volvo Group HQ in Lundby, Gothenburg, and offers an interactive introduction to the company, its values and its history.





Melker Jernberg

Kina Wileke

In new jobs

MELKER JERNBERG has been appointed President of Volvo Construction Equipment and a member of the Volvo Group Executive Board. He replaces Martin Weissburg, who will take up a position as Senior Advisor to Martin Lundstedt. Melker Jernberg will assume his new position on 1 January, 2018.

On the same day, Kina Wileke will take on the role as Executive Vice President Group Communication & Sustainability Affairs, replacing Henry Sténson, who will continue as Senior Advisor to the Executive management. Kina Wileke is currently Senior Vice President Brand Communication & Marketing at Volvo Penta. Prior to this, she held the position of Senior Vice President External Corporate Communication Volvo Group.

A story that makes me proud

A COUPLE OF hours before the interview, she contacted me, in a friendly, unassuming manner, to tell me that her internship had not been extended. She had just been told and said that it might be difficult to take photographs at her workplace. So she wondered if we wanted to change our plans.

The editor in me told me to contact the communication manager to confirm what I had been told, forewarn the reporter who was going to conduct the interview that the situation had changed and make sure that we were still able to take photos at the plant. I felt that this juggling was necessary. I did not want to lose a story that seemed like one of the most important in this issue of *Volvo Group Magazine*. You can read about Kidist's journey and the fantastic initiative known as the Job Leap on page 68.

I am proud to work for a Group that supports education, traineeship and employment in different ways and puts diversity and inclusion high on the agenda. I am crossing my fingers and hoping that this courageous young woman will find a job in her new home, Sweden.



ANN-MARI ROBINSON, EDITOR-IN-CHIEF

What characterises good leadership?

Diana Niu

SVP HUMAN RESOURCES, VOLVO CONSTRUCTION EQUIPMENT, GOTHENBURG, SWEDEN

"To me, leadership is about having genuine interest and trust in people. I like working with leaders who have the ability to observe and appreciate positive behaviours and actions around them. I respect and gain positive energy from leaders who have the willingness and courage to give timely and constructive feedback about behaviours which need to be changed or improved."



Raquel Sluzala

FH ASSEMBLY LINE OPERATOR, GTO EUROPE & BRAZIL MANUFACTURING, CURITIBA, BRAZIL

"A good leader constantly reminds us of the Volvo Group values and knows how to listen and understand everyone in the team. This make us feel important to the business and also committed to achieving all the results."



Yoshio Nakamura

GENERAL FOREMAN, ASSEMBLY LINE, UDTO, AGEO, JAPAN

"Good leadership is characterised by earning the trust of team members. It is important for me to create a risk-taking culture and support their initiatives. I value two-way open communication with my team to increase their engagement."



Carlo Gagliardo

Sandra

GOTHENBURG, SWEDEN

CREDIT ANALYST VFS, GREENSBORO, USA "Good leadership is characterised by one's ability to be a facilitator. In the everchanging world of business, facilitators use their work experiences and knowledge of people to craft active work environments where ideas flow and growth thrives. This ability stimulates innovation and serves as a foundation for fostering the development of future company leaders."



Nathalie Yzern

TEAM LEADER, GTO ASSEMBLY PLANT IN BOURG, FRANCE "A receptive attitude. A person who listens to the needs and wishes of his or her employees and does everything to resolve everyday problems and questions that come up at work. Someone who constantly strives to attain the highest quality using safe, ergonomic working methods."



Philippe Gorjux

otherwise failure is a fact"".

Schönefeld-Parks

"Good leadership means actively

listening and together with the team

and engaging. A future leader in a training I led put it very well: 'a leader is a

define a vision and goal that is inspiring

person in a big spider's web, who needs

to be extremely good at communicating,

DIRECTOR COMMERCIAL, RENAULT TRUCKS, LYON, FRANCE

"The key thing is trust. Committed people that are entrusted to deliver will drive engagement. We are moving in the right direction with our values; one year ago we were working much more in silos than we are today. There is more freedom now to work cross-functionally."



Jan Hjelmgren

SVP POWERTRAIN ENGINEERING GTT, GOTHENBURG, SWEDEN

"It's really important to be transparent, to set priorities of what is expected, to involve the team before taking a decision and to be honest and admit if a mistake is made. Good leadership is also about having the courage to change without being too stuck in earlier decisions."

"Everyone has a role to play"

To CEO Martin Lundstedt, leadership is a serious business. It is the key to satisfied customers, competitive strength and a good working environment. But it should also be fun and include both heart and mind – and sometimes even a somersault.

TEXT ANN-MARI ROBINSON PHOTOS CICCI JONSON

VOLVO GROUP MAGAZINE 5.2017 11

1

"In my opinion, leadership comes from within and is based on trust, values, honesty and integrity."

MARTIN LUNDSTEDT, PRESIDENT AND CEO

When the Volvo Group's top 350 managers met in June, leadership was on the agenda. Why is discussing leadership so important?

"Our corporate culture and the way we lead our global operations have a decisive effect on our competitive strength. We want customers to choose to do business with us, investors to find us interesting and our employees to enjoy their jobs and develop within the Group. So leadership, the way we behave, act and tackle the tasks we are assigned, is unbelievably important. Not least in view of the rapid technological developments which are resulting in new ways of collaborating, both internally and externally. If we are to develop solutions with customers and in partnership with suppliers, we need to act more swiftly and cross-functionally and sometimes outside the traditional patterns to which we are accustomed. Leadership also includes our role in society and the way we are perceived by the world around us."

Which leadership qualities would you like to see more of within the Volvo Group?

"First of all, I would like to stress that our managers and employees are incredibly engaged. This is a huge asset and it's something I see every time I visit our facilities in different parts of the world. I would like to see more action being taken even more rapidly. What's more, I would like everyone to take responsibility for their areas, as well as understanding the next link in the chain and, finally, I want us always to make the customer our main focal point."

How do we do this?

"We have a raft of detailed processes and guidelines that govern the way we act. It is sometimes difficult to grasp what applies and this can also lead to uncertainty and fear of doing the wrong thing. Codes of conduct are obviously extremely important, so that we behave ethically and comply with legislation, but we need to move towards more value-based leadership instead of being governed by rules. This will enable us to act and think for ourselves, based on our values, in order to achieve the best possible value for the customer and our business. Trust your own instincts, dare to try, manage the risks and go for it!"

Is leadership part of the Group's strategies?

"It most definitely is. We are setting truly ambitious targets when we say that it's our mission to drive prosperity through our transport solutions and that we are going to be the world's most desired and successful transport solution provider in the world. Realising our full potential as a Group calls for courage, trust, passion and change. We have made real progress on our journey of transformation towards a more decentralised organisation with more clearly



3 STEPS TO A SOLUTION

When facing an assignment or a problem that needs to be solved, follow three simple steps.

First, try to deal with the issue yourself in your own team or department.



If that is not enough, work cross-functionally

with other teams and departments.

If no solution has been found, escalate the issue to the next level.

"The important thing is to act. We don't have time to wait in order to solve a problem and, first and foremost, our customers don't have time to wait," says Martin Lundstedt.



Martin Lundstedt wants to see leadership based on values rather than governed by rules, so that everyone can think and act for themselves. "Trust your own instincts, dare to try, manage the risks, go for it – and have fun!"

defined responsibilities and a mandate that is transmitted to all our operations, but we still have a number of areas on which we need to focus before we become leaders in this industry. In this context, quality and service are two important areas."

Is leadership only a question for the Group's 10,000 or so managers?

"No, every employee has an important role to play. We all have personal leadership which is defined in what we do and which impacts the behaviour and attitude of others. Our five values – Customer success, Trust, Passion, Change and Performance – are our common rules of the game."

As you see it, what is good leadership?

"In my opinion, leadership comes from within and is based on trust, values, honesty and integrity. It's a question of taking personal responsibility for one's decisions and injecting people with the strength they need to engage their own awareness and inspire their teams. It involves both heart and mind, being in the here and now, feeling that this is real and that it is also important."

At the Leadership Summit, you performed a spontaneous somersault on the floor and were also able to name almost all 350 participants. How do you manage to be so personal?

"I believe in being spontaneous, direct and honest and I'm not afraid to show my feelings. Just before the conference, I was asked if I was nervous. I can naturally feel tense prior to an important meeting like this once a year, when I want to unite the organisation's forces and describe our current position and where we are heading. It goes without saying that I have an important role as CEO, but the same thing applies to everyone else. I feel that we are a family in which we do things together to realise a joint objective. So I don't need to be nervous or afraid about opening up and laughing at my own expense. We are going to set our sights really high, get things done and have fun!" ●

EMPLOYEE INVOLVEMENT

The foundry in Skövde is in the middle of a giant technology leap, with the old green sand line from 1969 being replaced by an entirely new process. The facility will be extended and employees are helping to develop new working methods.

Pointin the right direction

When the G1 Foundry at GTO's plant in Skövde, Sweden, faced a large-scale technology shift, employees played a major role in the change. Now they are largely responsible for deciding how the Factory of the Future will be designed.

TEXT MARIA SKÖLD PHOTO PONTUS JOHANSSON

VOLVO GROUP MAGAZINE 5.2017 15

ľ

"It's like a huge heart transplant. We are not simply replacing equipment, we are also in the midst of a technology leap."

TOMAS MEDIN, DIRECTOR OF CASTING

HE ATMOSPHERE IN the foundry is almost magical. A bed of molten metal glows and releases sparks everywhere as it is poured into sand moulds to be cast into cylinder heads, cylinder blocks and flywheels. Naturally, this dramatic process calls for rigorous safety.

Anyone working with molten iron with a temperature of around 1,400 degrees Celsius needs to have complete control of their role and the entire process. This has resulted in a unique mindset within the foundry, of which the

WHAT CHARACTERISES GOOD LEADERSHIP?

Mariann Ulkner

BUSINESS CONTROLLER, CASTING



"I want leaders to listen. Good leaders coach but don't try to control. They expect results, but they aren't worried about the precise way they are achieved. However, what one person regards as good leadership doesn't necessarily apply to someone else.

"Needless to say, good leadership changes with time. When I started in 1986, I was most interested in having a boss who told me what to do and recognised the work I did. Now that I'm older, my needs have

changed. I want more scope to develop. I also recognise more and more just how important it is to listen to people to get their support." employees are extremely proud. Working here requires both in-depth professional know-how and strong team spirit.

"The employees possess enormous skills. They are all experts at their individual jobs. What's more, they're engaged and want to be involved in developing operations," says Tomas Medin, Director of Casting.

As far as he was concerned, it was only natural for employees to play a leading role in the current changes to foundry operations. The old green sand line dating back to 1969 is going to be replaced by an entirely new process, which will also involve extending the facility.

"It's like a huge heart transplant. We are not simply replacing equipment, we are also in the midst of a technology leap. This is a true paradigm shift and that's why we decided to do something different," explains Tomas Medin.

THE RESULT IS ten teams of employees that are each developing different parts of the new working method, which has been given the name Foundry Flow – Factory of the Future. Sandra Boström, who works on Line 4, is a member of a team that is examining the way the new plant should be designed in 2021.

"It's really cool to be involved from the start! There are about ten of us in the team, five are operators from different departments and one is a first line leader. We have devoted virtually the whole of the past year to working on this full time. We are looking at ways of giving operators the best possible working conditions – everything from the way the environment should be designed to ways of creating an effective flow and the way we communicate," explains Sandra Boström.

To give all employees an opportunity to contribute, her team also organised a workshop for their colleagues. It focused on the challenge facing the plant and it has generated plenty of good ideas and some lively discussions.

The vast majority appreciated being involved in the design of the new operations. The process



Sandra Boström, Mariann Ulkner and Tomas Medin feel that it is important for everyone to be involved in the creation of the new workplace.



Zoran Sahlström, Lars-Erik Tengman, Tomas Medin and Selma Klipic plan the day ahead at the morning meeting.



Tomas Medin arranges regular meetings with his employees to discuss future challenges.

is not pain-free, however. In the future, fewer employees will be needed for certain operations and many people will be given new tasks.

"It's important to be transparent. Everyone must be given the same information and have a chance to influence the way we do things here. I think that everyone understands that, if we are to have a future, we must constantly focus on working to improve things," says Tomas Medin.

GTO POWERTRAIN PRODUCTION SKÖVDE PLANT

Location: Skövde

Founded: 1868

Production: engines, the plant consists of two foundries and four plants for machining and assembly

Led by: Lennart Richardsson, acting site manager

Number of employees: 2,800, of which 320 work at the foundry

EMPLOYEE INVOLVEMENT



WHAT CHARACTERISES GOOD LEADERSHIP?

Tomas Medin

DIRECTOR CASTING

"Well, we usually say that we as employees have four tasks: to do our own jobs, develop our work, develop ourselves and develop our team. As leaders, we have to recognise our employees' development potential. We have to get used to the idea that it's a good thing if people move about. Some of them want to take part in further education, while others want to try new jobs. I sometimes think we try to standardise things a bit too much and, as a result, that can make it a less exciting place to work. We have to meet people on their terms if we are going to benefit from diversity.

"My view of leadership has changed substantially over

the years. When I was given my first job as a leader, I was 24 and it nearly fell apart! I thought that I alone was going to change the world. After the trade union and employees said they wanted to throw me out and my boss said that the situation was untenable, I gathered the team together and asked where I was going wrong. We eventually had a really good discussion. After that, we started measuring employee satisfaction and things improved.

"The first time I started thinking about what made a good leader was when I did my military service. My commanding officer was a very quiet man, but we respected him and did everything he said. He created confidence and we were encouraged to take responsibility. However, no one listened to his loud-mouthed colleague! Since then, I have spent a lot of time wondering about good leadership. I think it's an incredibly interesting subject and there are always so many new things to learn." "Talking a lot about the way we work today and how the future will be, has really made a huge impact on us."

SANDRA BOSTRÖM, PROJECT PARTICIPANT

He is backed up by Mariann Ulkner, business controller at the Casting Function. At times of change in particular, she feels it is essential that employees are given the chance to be involved.

"Everyone needs to have an insight into what is happening in order to decide if they want to be included and to see how they can contribute," she says.

THE STARTING POINT of this huge project of change at Casting was a workshop in April 2016. It aimed to inspire innovation. Tomas Medin began by comparing the employees to Barbapapa, the popular French-American cartoon figure who can assume any form. The participants were then divided into groups and asked to think about the characters employees of the future might be.

"My group was asked to begin with a fictitious character called Jens, a 17-year-old trainee. What needs does he have? How will he be treated on his first day? What impression will he have of his workplace? Thinking in this way was really useful and creative," says Mariann Ulkner.

Tomas Medin is keen to initiate discussions like this. It is a leader's job to transform the Volvo Group's many policies and strategies into something concrete, so that every employee understands their role and how they can contribute to the big picture.

"Talking a great deal is key. After all, people are not telepathic. It's a question of creating the time and opportunities for people to discuss things," says Tomas Medin.

DURING THE YEAR, he makes a point of talking to all 320 employees at the foundry. This usually takes the form of meetings which are attended by around 50 people and at which he discusses the future. What is happening at the Volvo Group? What is happening in the world around us, when it comes to areas such as electromobility, economic development and climate issues, for example? There are many important questions that impact the Volvo Group, the Skövde plant and the foundry that need to be discussed.

Sandra Boström thinks these discussions have changed as a result of working on Factory of the Future. It is easier to see the big picture and think about different possible scenarios.

"Talking a lot about the way we work today and how the future will be, has really made a huge impact on us. We have had some great discussions at our workplace about how we should update the foundry team spirit," says Sandra Boström. ●

WHAT CHARACTERISES GOOD LEADERSHIP?

Sandra Boström

OPERATOR LINE 4, PROJECT PARTICIPANT



"What I need most is clarity, which creates the scope to take the initiative. I think the leadership here is pretty good. At such a large plant, it's easy for people simply to become part of the crowd, but the leaders see us as individuals and identify each person's potential.

"Working on Factory of the Future has helped us develop, both as individuals and as a team. We spend a lot of time talking about how we, the employees, are going to organise our work. Most of us are

really enthusiastic and think it's going to be fun and many people come and ask us how things are going. There are naturally also those who are afraid of new things. They wonder whether they can fit into the new set-up and how the future will be. It's important to talk about this as well."

DIVERSITY ADDS VALUE





SHAMIM BINGEL MALAWI KATRIN RODENHAUSEN GERMANY PAUL KOWALSKI KAZAKHSTAN



MARKET

GERMANY

Global teamwork

ROM THEIR OFFICE near Frankfurt, VFS Central Europe cover all VFS services in Germany, Switzerland and Austria. The team includes people from Bulgaria, Russia, Kazakhstan, China, Malawi, Switzerland and of course Germany, while their manager, Ana-Maria Cornoiu originally comes from Romania. "Over time we have built quite a diverse team, which brings a lot of dynamism and increased productivity in our team. Diversity brings unique perspectives and ideas into the business and makes us more responsive to customer needs," she says.

However, it is not without its challenges, namely the need to manage different expectations and accommodate different working methods that are driven by people's cultural background. "In some cultures, people value freedom and the independence to do their jobs their way, while other people are very uncomfortable with this freedom and expect very clear and specific directions in order to perform their job," says Ana-Maria Cornoiu. "Or some people are used to work environments where you tend not to express your opinions openly if you are new or have a junior role, while others are used to being assertive and speaking up."

THE KEY TO meeting these different demands and expectations is creating an open and inclusive environment where all team members feel encouraged to share their ideas and feel empowered to contribute to the business. Every year, team members share their expectations of management through VGAS and, at the monthly team meetings, everyone is encouraged to speak up and share their ideas. On top of this, the team members regularly go out for dinner together to celebrate finished projects or milestones and quite often choose a cuisine from one of the team's many nationalities.

"Despite our differences, we share many common values," stresses Ana-Maria Cornoiu. "Respect for one another and trust are the most important values that drive our team. We are highly motivated and committed to our job, and we all want to achieve better things together." ●



Earlier this year, the management team of Platform Development at Volvo Buses participated in a training programme in communicative leadership. During the workshop, all participants gave a short personal presentation linked to the challenge that the team faces. Anders Noaksson, Vice President, used a pair of VR glasses in his presentation. Mattias Royson had asked his children to draw their picture of the future.

The right message for results

Communication is the basis of all leadership. Creating engagement and trust, however, calls for much more than just facts and an attractive PowerPoint presentation. The Volvo Group's training courses help leaders create a dialogue that generates results.

TEXT LINDA SWANBERG PHOTO JONAS TOBIN

N A CONFERENCE room at the Volvo Buses facility at Arendal in Gothenburg, the management team for Platform Development has gathered to take part in a workshop. All the participants have been asked to bring an item with them and give a personal presentation linked to the challenge facing the team. VR glasses, a child's drawing, a heart, an aircraft and a mobile phone are some of the things the participants show one another. Even if words and things differ, they all have the same message:

"The future is already here with existing technology and we are all a part of it."

This workshop is the second part of CFR (Communicating for Results) for Management Teams which is designed to help managers produce better results when communicating with their employees. At these meetings, the team members have a chance to reflect on the way their communication functions and this then produces a framework with checklists that are easy to use in their everyday work.

The workshop is one of two versions of CFR which are offered to Volvo Group managers.

On this particular day, the workshop is being run by Sue Dewhurst, an external trainer, and Kennie Kjellström, Director Communicative Leadership. Kennie Kjellström has been working on communicative leadership for a long time and he has been involved in developing the concept of Communicating for Results which is based on research and interviews with managers.

"CFR is just as much an attitude to communication as it is a training course. It's a question of developing your communicative characteristics and taking the time to develop the way you communicate," he explains.

THIS IS THE second workshop for the management team from Volvo Buses. A few days before, they had met up in Poland to formulate a joint picture of the message they are hoping to convey and what it will lead to. Anders Noaksson, Vice President Platform Development at Volvo Buses, thinks they have already made a fair amount of progress.

"When we started, we had a fairly large, diffuse picture of what we were hoping to communicate. We gradually succeeded in slimming it down and we then jointly arrived at the message we shared today. Our task as leaders is to create a belief in



Anders Noaksson is Vice President Platform Development at Volvo Buses. "What do I want people to know and feel and what do I want them to do? Asking these questions makes it easier to formulate a message people will remember," he says.



Rubens Villela, Maria Lindroth, Catarina Wass, Erika Asp and Elisabeth Johansson are applauding the short presentation given by Sandra Sjöholm. She used an image of an aircraft to describe the future.

"It's important to take a few steps backwards and try to put yourself in your employees' situation and see things from their angle."

ANDERS NOAKSSON, VICE PRESIDENT PLATFORM DEVELOPMENT AT VOLVO BUSES

the future and get the employees to see Volvo Buses as an attractive workplace where people can develop and contribute. We want everyone to understand where we currently stand, as well as the challenges we face and the opportunities we have," says Anders Noaksson.

Communication is an important key when it comes to succeeding in this context. For a management team, it is important to have a joint message, but it is also essential for the team members to think about what they are actually hoping to achieve when they communicate with their employees - regardless of whether this involves an individual discussion, a small team meeting or a large departmental meeting. "As leaders, we often have a little more information than most employees, but it's easy to forget this. It's important to take a few steps backwards and try to put yourself in your employees' situation and see things from their angle. This has been one of many useful insights during this workshop," says Anders Noaksson.

HE IS NOT the only one to have acquired new insights. Everyone in the group feels that they have been given some practical tools they can use and a greater understanding of the importance of preparation.

Erika Asp is responsible for the Project Office and she is a relatively new member of the management team. She previously worked at Ericsson and has taken part in several courses on communication.

"It may sound really easy, but the important thing is to give yourself time to think through all the steps. It's great to be given a framework which works well in both large and small contexts," she says. ●

THIS IS CFR

CFR (Communicating for

Results) is a training programme in communicative leadership provided by Volvo Group University. CFR training is also provided by internal trainers.

The aim is to help leaders get better results from their communication.

The training is based on a research project about communicative leadership that the Volvo Group has been part of and the needs defined by leaders in the businesses.

Leaders are welcome to apply for the training in Navigator.

By the end of 2017, approximately 400 leaders had attended the training.

4 IMPORTANT AREAS

CFR covers four main areas of communicative leadership.

Linking communication to performance – the difference between sending out information and communicating for results.

Preparation and follow up – a simple, practical framework to prepare before you communicate and check the results afterwards.

3 Connecting with heads, hearts and hands – how to go beyond presenting facts and details to communicate in a way that engages and builds trust.

Dialogue and trust – using conversations to build understanding and the daily habits that can build long-term trust.

CFR for Management Teams is a workshop provided by Communication Development, Volvo Group Communication. It covers the same four focus areas as the CFR training but focuses more on the management team than the individual manager.



QUESTIONS TO VALERIE DELACHAT

GROUP MANAGER AT GTT IN LYON, FRANCE, WHO ATTENDED THE CFR TRAINING EARLIER THIS YEAR

Why is it important to be good at communicating in your job?

"Communication is an important part of my daily work, both when it comes to one-on-one, meetings with the team and in relation to customers. We are often good at technology, budgets and time plans, but we sometimes forget how important communication is for a project to succeed. If you want to create trust and achieve results, communication is key."

What are your main takeaways from the CFR training?

"I had done some training in communication before. Still, this training was a turning point. I really understood the importance of not only pushing a message, I have to make it mine. To succeed, you have to prepare and know what you want to achieve. Why should people care about what I have to say? What do I want them to remember? It is also very important that you encourage people to ask questions. Communication is not about passing on information, it's about dialogue and common understanding."

Can you tell us about an occasion when your new skills made a difference?

"Have you heard the quote 'You can lead a horse to water, but you can't make it drink'? Some time ago I had a situation like that at work. The team had decided to focus on LEAN as one of three important topics for 2017. I read the book *This is LEAN* and told my team that they could borrow my book to learn more. No one did.

"I soon realised how important it was that we all shared the same vision of the LEAN definition. To succeed, I once again had to ask the team members to read the book. This time I prepared my message carefully and held a speech about what I had learned and why they should read the book. Since then, there is no book available on my desk. My conclusion? A good communicator will lead the horse to water; an excellent communicator will make the horse thirsty first."

LINDA SWANBERG



Valerie Delachat is a Group Manager at GTT in Lyon, France. "During the CFR training, I became aware of new things that made me make a switch in how I prepare communication," she says.

PHOTO: NICOLAS DARTIAILH

Greater engagement with training

Volvo Group Trucks Operations (GTO) is giving all its managers training in CFR. The target is to offer the employees an insight into its operations and generate greater engagement.

OMMUNICATION IS becoming increasingly important as a means of motivating employees. In production, where the employees have no computers of their own, managers have an incredibly important role to play.

"Even if our managers receive high ratings in the surveys we conduct, there is potential for improvement when it comes to making internal communication more alive and adapted to our employees' needs," says Viktoria Häggblom, Director Strategic Internal Communications, Volvo Group Trucks Operations.

The target is for 2,500 managers at GTO to complete the CFR (Communicating for Results) training during 2018 at the latest. The training will be run by GTO's communication managers at the different sites. "This gives us an opportunity to create a common platform and language. It's also important that the training, like the communication, is adapted to local conditions and the challenges facing every site," says Viktoria Häggblom.

THE FIRST SITE to train all its managers was the plant in Kaluga in Russia. This plant has undergone some major changes in recent years and a large percentage of the work force is newly employed. To realise the business goals, strong communication is key. "We need highly involved, accountable employees. To obtain their trust and full buy-in, our managers have to be extremely clear about our targets, why and how we can achieve them and what is expected from each and every individual in this rapidly changing environment," says Larisa Tarasova, Kaluga Plant Communications Manager and the person responsible for the CFR training in Russia.

THE SESSIONS IN Kaluga started in February with approximately 40 managers completing the training – with very good results. According to Larisa Tarasova, the managers have found the framework easy to work with and they now feel more confident when they communicate. "They appeal to hearts and emotions and they put in a real effort to make their stories bright and memorable. We have also introduced a forum to which managers bring their most successful communication examples – the stealwith-pride principle works well."

Communication trainings have now been conducted in the US, Brazil, Sweden, Belgium and France. (*)

LINDA SWANBERG





Viktoria Häggblom

Larisa Tarasova

World leading research shows positive effects

The Volvo Group is a pioneer when it comes to communicative leadership. Research reveals many positive effects for both the organisation and individual employees.

ATRIN JOHANSSON IS Professor of Organisational Communication at Mid Sweden University. Since the end of the 1990s, she has been researching communicative leadership and its significance for organisations and individual employees. One research project in which the Volvo Group participated revealed that communicative leaders are better at motivating employees, resolving problems and conflicts and achieving results. They encourage dialogue, involve employees in decision-making and are perceived as open and involved. Research results also reveal that communicative leadership helps to increase employee engagement, make organisations more effective and improve the implementation of changes.

"A communicative leader is aware of the importance of communication, is able to adapt his or her message to suit the target group and both give and seek feedback. Communication is not simply a question of passing on a message. It's far more than that," says Catrin Johansson.

She is convinced that companies and organisations have a great deal to gain from investing in training its leaders in these areas.

"COMMUNICATIVE LEADERSHIP IS an ability that can be developed. At the same time, it's also important for leaders to have the necessary prerequisites. Large groups, a rapid tempo and many simultaneous changes can make this both difficult and complex. To succeed, it's absolutely vital that people in the organisation jointly understand that communication is important," says Catrin Johansson.

The development of communicative leadership has made most progress in Scandinavian companies and the research in this area at Mid Sweden University is world leading. According to Catrin Johansson, the Volvo Group is a trail-blazer in the field of communicative leadership.

"The Volvo Group has been working on these issues for a long time and it has in-depth knowledge of the contribution communication can make when it comes to generating results and driving a company forward," she says.

CATRIN JOHANSSON AND her colleagues are now working on a new research project in which they are going to follow a number of managers in the Volvo Group and the Sandvik industrial group. The target is to identify the long-term effects communicative leadership has on an organisation. The project is expected to be completed in 2020 and the results will be presented at regular intervals. (•)

LINDA SWANBERG

Did you know that...

...studies reveal that managers spend between 70 and 90 per cent of their working time communicating. They send emails, talk on the phone, have individual discussions and hold large meetings. Through their communication, they create engagement and effective organisations, as well as leading change in discussions with employees.

"This means that it's very difficult to be a good leader if you're unable to communicate. Communication is the foundation when it comes to enabling leaders to do a good job," says Catrin Johansson, Professor of Organisational Communication at Mid Sweden University.





Sue Dewhurst is a professional trainer and coach in internal communication. Here she shares her best tips.

Sending out messages doesn't mean you'll get results. Don't define success by the number of presentations you give or emails you send – who knows if people listened, understood or did anything about them?



Set communication aims. What should happen as a result of your communication? Ask yourself: What's the business goal? To achieve this, what should people KNOW? How would you like them to FEEL? What do they need to DO?

6 TIPS HOW TO COMMUNICATE FOR RESULTS

Connect with the message. If asked to communicate other people's messages, prepare by highlighting points you find personally interesting or relevant to your team. Use "I" and "we" statements when you communicate.



Choose a MIP (Most Important Point). What's the point you most want people to remember? Emphasise it, use a linked example or image and say it at the beginning and end of your communication.



Listen with full attention. Communication means understanding each other, not just having others understand you. Write yourself a post-it note reminder to listen and remove distractions such as your mobile phone.



Ask for feedback. George Bernard Shaw said: "The single biggest problem in communication is the illusion that it has taken place". Check if you met your aims. For anonymous feedback, ask a team member to gather views or use group discussions.

07.12 GTX EVP Meeting, VLH Lundby

TRADE BARRIERS ARE on the agenda at today's monthly GTX meeting. GTX covers topics of common interest for the three truck divisions, Purchasing, Technology and Operations, for support and to stimulate cross-functional co-operation. "We are all accountable for delivering product leadership and world-class services for all our brands," says Lars Stenqvist, EVP GTT. "It is only through cross-functional work that we can succeed," adds Jan Ohlsson, EVP GTO.

"With a better understanding of customer needs, it is much easier for us to solve customer related issues. GTX is an important forum to realise these ambitions," says Andrea Fuder, EVP GTP.





LEADERSHIP ON SITE

Sofia Hugosson

DEPARTMENT MANAGER AND QUALITY ALERT LEADER, VOLVO CE, BRAÅS, SWEDEN (PAGE 34)

TEAM LEADERS

What is it like to lead a team in the Volvo Group? Meet Sofia Hugosson in Braås, Sweden and Vaishali Pandya in Bangalore, India on a regular day.

Vaishali Pandy

TEAM LEADER AT THE GTO DISTRIBUTION CENTER IN BANGALORE, INDIA (PAGE 36)

SOFIA HUGOSSON, DEPARTMENT MANAGER AND QUALITY ALERT LEADER, VOLVO CE, BRAÅS, SWEDEN

"It's important to have an open atmosphere"

HIS HAS NOT been Sofia Hugosson's best week at work. In her role as an alert leader, she has had to handle an unusual number of deviations, forcing her to race from one extra meeting to the next. But, at the same time, she is also a departmental manager and in that capacity she feels quite proud of her team's achievements.

"At the meeting, did you hear how everyone knows exactly what they are expected to do? On some days, we have an enormous amount to do and everyone is 150 per cent focused. I am incredibly impressed," she says.

Sofia Hugosson leads the Quality Assurance and Audit team at Volvo Construction Equipment's plant in Braås, Sweden. The team is a tightly welded group which deals with quality issues linked to components from suppliers. When a deviation is reported, they are expected to identify the problem, resolve it and make sure it does not happen again.

IT IS AN unpredictable job where issues occur suddenly and call for swift decisions. During pulse meetings and other checks, everyone is focused as they give their status and action reports. In between, however, there is still plenty of time for jokes and banter.

"It's important to have a secure, open atmosphere in the group, so that all the members can be themselves. This helps us to manage the really stressful days," says Sofia Hugosson.

She feels that safeguarding this good atmosphere is one of her most important tasks.

The rules of enjoyment are taped on the wall and the first one is "Have fun and get on with one another".

For Sofia Hugosson, a normal working day begins at 7 am with a control meeting. It is followed by a range of checks up to 9.30 am, even if she also finds time for a coffee break with the team.

Volvo Group Magazine visited the plant on a Tuesday, often a slightly less regimented day. Today, she has scheduled a meeting with an employee to follow up on his personal business plan (PBP). She then gathers the staff's safety representatives and the quality technicians that work in the arrival area for incoming components to make a risk appraisal of their work space to prevent incidents. On this particular day, however, she had to fit in some extra meetings to handle unexpected deviations.

"My greatest challenge is that I never have enough time. I have been a manager for just over a year and this is one of the things I have to learn to handle. Luckily enough, there are good mentors in the organisation that I can talk to."

The training courses she attended, when she was previously an internal consultant and VPS coach, are also really useful.

"The training as an internal consultant also frequently focused on leadership. That was probably when I started to find it interesting. After all, many people at the Volvo Group who are not managers spend a great deal of time working on leadership." ⊙

SOFIA HUGOSSON

Works at: Volvo Construction Equipment's plant in Braås – the birthplace of the articulated hauler.

Role: Quality alert leader and head of the Quality Assurance and Audit team, where there are currently 16 employees.

Background: joined the Volvo Group in 2011 and, among other things, she has worked on VPS (Volvo Production System).

MARIA SKÖLD

"I started working at the plant in Braås in 2011 and have had different roles. In April 2016, I became head of the Quality Assurance and Audit team. Even though I didn't belong to that team before, naturally everybody knows each other here and it's special to suddenly move to a management role."





"It's necessary to have strong collaboration between different teams. Here I am inspecting a machine together with Lars Rudbeck from Reparation & Rebuilding."

"Tuesdays are normally when I get to follow up on previous actions we have taken. Today, I am looking at new filling that we have decided to use."

LEADERSHIP ON SITE

"During the day, I go around the plant and make sure that all parts are in the right place, to help reduce search times."

"Together with Naresh Surugali I put the picking labels on the Class 1 orders, which need to be dispatched immediately to meet the customer demands." "Together with the Operations Site Manager Ayaz Sikander and Manjunatha Kumar, VPS & Quality Manager, I spend a lot of time on the shop floor, checking that the working conditions are safe."

interest of

Vaishali Pandya outside the GTO Distribution Center in Bangalore.

IV

VAISHALI PANDYA, TEAM LEADER AT THE GTO DISTRIBUTION CENTER IN BANGALORE, INDIA

"I'm impressed by the Volvo Group culture"

AISHALI PANDYA'S JOB is stressful but fun. As a team leader at the GTO Distribution Center in Bangalore, India, she must make quick decisions, while also staying on top of more long-term issues.

The day begins with a team breakfast on site, but the tempo soon quickens. By 8am, Vaishali Pandya had her first meeting. Together with the support manager and the quality manager, she analyses yesterday's results. How successfully have they fulfilled orders, while managing any quality problems or delays that arose? Vaishali Pandya takes note of what she needs to follow up.

AT 8:05, THE whole team gathers together – seven industrial workmen and two temporary members of staff – to review the situation for the day. Then everybody begins to go through the orders and collect the necessary spare parts.

"We have three classes of orders. Deliveries of Class 1 and 2 orders have top priority and must be delivered on the same day. Class 3 orders are Dealer Stock Orders which are processed within three days from the order date," Vaishali Pandya explains.

Everyone works intensely to meet the deadline. Vaishali Pandya moves around the shop floor with a checklist in hand, as there is much to keep track of.

"Everything needs to be in the right place, so that we can work efficiently and know what we have in stock. I also look for damaged parts and talk to everyone to support them and make sure they have what they need to deliver on time."

AS A TEAM leader Vaishali Pandya must both focus on the day's deliveries and work systematically with overall issues relating to timeliness, quality and processes. This also requires close co-ordination with the outsourced activities of Maximum Retail Price stickering and packing. "Good planning is the key. It's the leader's responsibility to ensure that the team moves in the right direction and delivers the best possible service to customers," she says.

The way to achieve this is through building good relationships in the workplace. Everyone must know their role and be prepared to give and receive feedback. This is an area where the Volvo Group stands out, according to Vaishali Pandya. She only joined the company in May 2017 and was immediately impressed by the friendly and respectful atmosphere.

"At first I wanted to work for the Volvo Group because of its reputation for high-quality products, but now I'm even more impressed by the Volvo Group culture," she says.

Vaishali Pandya has worked in managerial positions in other companies, but she is the first woman to lead a team at a Volvo Group India warehouse. •

VAISHALI PANDYA

Works at: the GTO Distribution Center Bangalore, which distributes spare parts for Volvo Trucks, Volvo Buses, Volvo CE, Volvo Penta and SDLG.

Role: team leader

Background: joined the Volvo Group in May 2017. Prior to that she worked in managerial positions at one of India's leading retail companies.

MARIA SKÖLD

INNOVATIVE SUCCESS

To help facilitate the speed and scope of innovation within the Volvo Group, GTT is trialling new ways of working with its product development teams. A recent project on additive manufacturing showed the full benefits of this new approach to R&D.

TEXT NIC TOWNSEND PHOTO NICOLAS DARTIAILH

N MANY INDUSTRIES, small start-up companies, despite having far fewer resources, are increasingly pushing ahead of larger corporations when it comes to new innovations. With speed being so essential in this era of rapid technological change, working as a small team that is unrestricted by rigid hierarchies and bureaucratic red tape can be an advantage.

GTT is increasing the agility of its product development teams and this is already producing positive results. Last year, a team of GTT Powertrain Engineering engineers and designers in Lyon were given their own workspace at the Crealab open space at Volvo Group University and the chance to fully explore the possibility of using additive manufacturing in engine production.

Eight months later, they successfully designed a conceptual engine, using 3D printing, which had 200 fewer parts and weighed 120 kg less – a weight reduction of 25 per cent.

For Damien Lemasson, project manager, their

success came down to three factors: having a clear objective, having a good environment to work in, and having a work culture that enabled team members to use their full talents to create, explore and innovate.

"Top management wanted us to be autonomous and accountable – we had a clear mission, but it was up to us how we wanted to do it," he explains. "People had the freedom to

ENGINES FROM 3D PRINTERS

- The project began in January 2016, with a team of GTT Powertrain Engineering engineers and designers based in Lyon, with the objective of assessing the potential of an additive manufacturing process for engine performance. It also included students from ENI of Saint Etienne and INSA of Lyon, as well as external experts.
- The team successfully designed a conceptual engine, using 3D printing. By being able to optimise each part, the new engine had 200 fewer parts and weighed 120 kg less – a weight reduction of 25 per cent. Some of the key components have even been produced with 3D printing and tested to evaluate their durability. The overall result of the project was a clear success.

Damien Lemasson, Senior Project Manager, Powertrain Engineering, believes that people have greater pride in their work when they are given responsibility and autonomy.



investigate, try new things and make their own decisions. Sometimes it might be a dead-end, but that's okay because we learn from the failures too."

THE TEAM CONSISTED of 14 people, including university students and external experts, but they all worked together in their own workspace at the Crealab, away from GTT's main site. This helped build a sense of team spirit and shared purpose. The involvement of university students helped bring in fresh ideas, as they continuously asked questions of their more experienced engineering colleagues.

With this freedom, however, it was also important to have good day-to-day control of activities and stay focused on the core objective. "If someone has an idea, let them explore it, sure," adds Damien Lemasson. "But, as soon as you can see that it is going nowhere, as project manager, it is important that you intervene and get the project back on track."



In Damien Lemasson's experience, however, trusting and empowering people helped create a highly engaged and motivated team. "If you give people responsibility, they want to succeed. What I really enjoyed about this project was seeing people going beyond their job descriptions. We didn't just stick to our own areas – we helped each other and offered advice. Obviously, there is a technical side to these types of projects, but there is a human side too – and ultimately success depends on people." ● The GTT Powertrain Engineering team's success with 3D printing has huge ramifications for the future of engine production. But, for Damien Lemasson, what was most rewarding was seeing his team wanting to go above and beyond their duties.

Tips for working with projects

Prepare the project with the right structure, clear scope, common goals and clearly defined deliverables.

Create the right environment. The team should have its own space, where everyone can work together as a team and interact face to face on a regular basis.

Establish regular communication and share information. It is important people feel they can speak up and will be listened too.

Give people responsibility and the freedom to make their own decisions. If they have an idea, let them explore it. Even failures and dead-ends are valuable learning experiences.

A LEADER AROUND THE WORLD

During the Volvo Ocean Race, leadership really comes to the fore. As far as Dee Caffari and the other skippers are concerned, it is a question of ensuring that everyone in the team puts in a peak performance – even in extreme working conditions.

TEXT LINDA SWANBERG PHOTO ROBIN ARON OLSSON

VOLVO OCEAN RACE ROUND THE WORLD

The Volvo Ocean Race can be really gruelling, especially when sailing in the Southern Ocean. In this race, there will be three times as much sailing in this part of the world as in the previous race. "I'm never scared, even though some conditions can be frightening. Knowing that I spent a lot of time in the Southern Ocean and that I survived should give my crew a great deal of confidence," says Dee Caffari.

rainenna mantalitte

OCE

"Thanks to my background and experience, I can be the person who gives guidance and, at the same time, lets people grow their skills."

DEE CAFFARI, SKIPPER OF TURN THE TIDE ON PLASTIC

N 10 DECEMBER, the seven boats in the Volvo Ocean Race left Cape Town, South Africa, to embark upon one of the toughest legs in the race. Around Christmas, the teams are expected to arrive

in Melbourne, Australia, for a short break, before the time comes for the next leg.

When *Volvo Group Magazine* met Dee Caffari, the skipper of Turn the Tide on Plastic, there were still two months to go before the start of the race in Alicante at the end of October.

Early in the morning, Dee Caffari and her crew arrived in Cascais, Portugal, after spending several weeks in Great Britain competing against the other boats. Cascais is the boat's home port and, a short way from the marina, the team have a house in which they can relax and prepare for the next leg. So far, only Dee Caffari and Liz Wardley, boat captain, have been announced as members of the team and there are still some important decisions to be made. After having 180 CVs to choose between, there are now just a few candidates left.

VOLVO OCEAN RACE IN SHORT

- The 2017-18 race started in Alicante, Spain, in October 2017. The seven boats will cross the finishing line in The Hague, the Netherlands, in June 2018.
- The teams will sail 45,000 nautical miles around the world, crossing four oceans, touching six continents and visiting 12 host cities.
- The Volvo Ocean Race is jointly owned by Volvo Group and Volvo Cars.
- For the Volvo Group, the race is a way to strengthen the brand and meet customers and dealers in a unique environment.
- Visit In Focus on Violin to discover how Volvo Group's customers and employees experience the race. On volvooceanrace.com you can learn more about the race and how the teams are doing.

"As a skipper, you usually have about a year to build up your team. I haven't had that luxury of time. We started in the middle of June and so far we have only done 2,500 miles of racing. However, during the last three weeks, I can really see that we are starting to develop as a team," says Dee Caffari.

Turn the Tide on Plastic is the only boat to have a totally mixed team, with equal numbers of men and women on board. What is more, the majority of the crew will be less than 30 years of age. Even if everyone in the team is an incredibly skilled sailor, many of them will never have competed in such gruelling conditions as those they will experience in the Volvo Ocean Race.

"Many skippers are more comfortable sailing with people they know and who have a lot of experience. I want to show that you can think differently, even though sailing with a young, mixed crew makes it a bit challenging when it comes to putting a team together. To get the best possible team, I have to make sure we get the right person in the right position."

THIS IS THE first time Dee Caffari has taken part in the Volvo Ocean Race as a skipper, even if she has in-depth experience of sailing both with others and alone. In 2000, she left her job as a physical education teacher in the UK to focus 100 per cent on sailing. She is now the only woman to have sailed solo, non-stop, around the world in both directions and, in 2014-15, she took part in the Volvo Ocean Race with the allfemale-crewed Team SCA.

"It feels as though everything I have done earlier is a combination of things that have led to this opportunity. Thanks to my background and experience, I can be the person who gives guidance and, at the same time, lets people grow their skills. Being a skipper in the Volvo Ocean Race is a huge responsibility, but I like the challenge," she says.



As skipper, Dee Caffari is responsible for safety on board and she is the one who makes the final decisions. Her job is also to empower and make everyone perform at their very best, in this case every day for nine months.

The Volvo Ocean Race is one of the world's toughest sailing competions. Staying focused and motivated for 45,000 nautical miles is a huge challenge. Living together in such cramped settings in what are frequently challenging conditions, such as harsh weather and strong winds, also imposes rigorous requirements on the crew.

"The Volvo Ocean Race is a very intense experience and a massive commitment. You need to make sure that everyone on board has the same objectives, the same picture of where you are going and why. Everyone can have a bad day, feel tired and cold and miss their friends and family. That's why the team is so important; there will always be someone to give you energy."

DEE CAFFARI IS all too well aware that she and the team are going to face difficult challenges along the way. At the same time, she has plenty of experience from previous competitions and she knows what is required of a skilled skipper. One of her most important tasks is to make sure that each individual member of the team feels acknowledged and appreciated.

"If you don't feel as though you're contributing to the team, you start to switch off. As a skipper, I have to make sure everyone is engaged in the process. Sometimes you can feel it's easier to do the job yourself, but that's not the way you should do things if you want people to develop and get the team to go forward."

Helping the team to learn from their mistakes is another important challenge for Dee Caffari. After each leg, the team debrief and analyse their performance and look for improvements.

"We won't get everything right the first time and there will be mistakes. But the race is about doing better and better, both as individuals and as a team. To improve, you need to have open, honest communication."

APART FROM SAILING as quickly as possible, Turn the Tide on Plastic has another mission. The team is sailing under a UN flag and, during the race around the world, it is expected to spread knowledge and understanding about the ocean's health and raise people's awareness of single-use plastics.

"I feel very priviliged to carry the UN message in this campaign. It's a topic that engages a great many people and, by taking small steps in the right direction, I think in the end we can make a big difference."

Compared with the other boats, Turn the Tide on Plastic has a young, relatively inexperienced crew. Dee Caffari is, however, convinced that they could surprise people.

"We are very performance driven and have a lot to prove. To win, you need a bit of luck, but you also need focus and consistency. If you are at the top on many of the legs, it produces results in the end." \odot



Dee Caffari about...

...PASSION: "To be in the Volvo Ocean Race, you really have to love the sport and enjoy what you do. Enjoyment turns into performance."

...PERFORMANCE: "It is also about learning from your mistakes and doing better and better all the time. We will continue learning all around the world. The young sailors are really hungry for this race and I'm going to harness their energy and hopefully turn it into a great performance."

...**TRUST:** "In this race, you literally put your life in each other s hands and that requires a great deal of trust. As a leader, you have to trust your team and give responsibility and ownership. My way is not always the right way."

CHARLES CAUDRELIER

Skipper, Dongfeng Race Team Age: 43 From: France Volvo Ocean Race experience: 2014-15 Dongfeng Race Team, 2011-12 Groupama Sailing Team

Finding the right people

DONGFENG

For Charles Caudrelier, skipper of the Dongfeng Race Team, a strong team spirit is most important. "It's my job to choose the right people and get them to work together as a team."

HIS IS THE SECOND Volvo Ocean Race for Dongfeng Race Team. At the 2014-15 race, the boat was an underdog, with a large number of inexperienced sailors. It is now one of the favourites.

MARTIN KERUZORE

PHOTO:

"This race will be very different. Last time, we were not under pressure, but we learned a great deal from that race and we plan to continue the story where we left off," says Charles Caudrelier.

In the last race, Dongfeng Race Team came third, after losing positions towards the end. This time, Charles Caudrelier plans to do everything to make sure that his team have enough energy and motivation to get them all the way to the finishing line.

"To win, you have to keep improving the whole time. It's a very long race and it's demanding from a human point of view. To maintain a good team spirit, I have to make sure everyone is motivated and involved in the performance. It's also very important that everyone respects one another and that we can talk about human problems, not just sailing."



Four members of the Dongfeng Race Team; Jackson Bouttell, Liu "Black" Xue, Chen "Horace" Jinhao and Yang "Wolf" Jiru

CHARLES CAUDRELIER HAS been sailing for 20 years and he is described as a demanding, honest leader. Even if he prefers to talk about the team rather than himself, he is all too aware of what is expected of him.

"You can't be a leader if you aren't determined. To push others, you have to push yourself. You have to show the direction and be clear about what you expect. But you also have to listen, even when you don't agree and be honest when you make mistakes."

Dongfeng Race Team is committed to helping to establish offshore ocean racing in China and, just like the last race, the crew includes three young Chinese sailors. Charles Caudrelier is looking forward to continuing to share his skills with them and the rest of the team.

"We have become a nice family and it's a real pleasure to be on the water and work together. The goal is to do better than in the last race and I think we can go very far." •

LINDA SWANBERG

A new start

Mack Trucks has introduced an all-new model for the important highway market. The team behind the Mack Anthem worked closely with customers every step of the way to deliver this newest offering in North America and export markets around the world.



Denny Slagle, President of Mack Trucks, introduced the Mack Anthem highway model in September.

TEXT JANICE KIZZIAH PHOTOS MACK TRUCKS

NNOVATIVE. Aerodynamic. Forward looking. Maybe not how some people would describe a Mack truck – until now.

In September, Mack Trucks introduced the Anthem highway model, an important step for the 117-year-old brand, which today is the preferred work truck in industries like construction.

The new model elevates Mack in the long haul and regional transport market segments, which account for more than 70 per cent of truck sales in the US.

"This is a new start for Mack," says Denny Slagle, President of Mack Trucks. "We've introduced a new model that's unlike any other truck on the road. I believe it will turn heads and cause people who have not considered Mack for a long time to take a closer look."

The Anthem's exterior reflects Mack's tough, hard-charging style with a reimagined frontend that stands tall and strong. The interior was created based on input from drivers.

John Walsh, Vice President of Global Marketing and Brand Management, says the Mack design team did an excellent job creating a bold new look that also offers more comfort and convenience for drivers. "Coming down the road, even from a distance, there's no question







John Walsh: "The Mack Anthem speaks to the American spirit. those values of hard work, honesty and humility that have always been central to this country and the Mack brand."



Govi Kannan



Nicole East



The Mack Anthem hood has a more prominent slope, with a broad and dominant profile. The Mack name is prominently displayed in a large grille featuring a distinctive bridge across the front.

it's a Mack. It also delivers everything customers and drivers today are looking for in a highway truck. It's both built for business and designed by drivers, for drivers."

THE ANTHEM DEVELOPMENT project was the largest component of a brand revitalisation that began in 2011. Three years later, Mack introduced a modern new logo, consistent imagery and messaging across markets and a reaffirmation of its brand promise as the American truck you can count on.

"Our goal is to be the most desired American truck brand and that's driven everything we've done," says Govi Kannan, Senior Vice President of brand and product. "With a brand like Mack that has such a strong heritage, you become the custodian for a time. It's our responsibility to move it forward and leave it in a better place."

As work progressed on the Anthem, employees who helped bring it to market took on everyday challenges with new enthusiasm. "We call it the Mack spirit," says Nicole East, Director of Brand Management. "People felt a sense of great pride, whether they were designing the truck or working on the pilot builds or handling the pricing. Everyone understood we were building a new Mack truck that customers would be proud to own." 🖲

MACK ANTHEM



Designed to last

With the Anthem, Mack's design team created the most aerodynamic truck in the brand's history. They also gave it a modern and ergonomic interior – based on input from thousands of truck drivers.

TEXT JANICE KIZZIAH PHOTOS MACK TRUCKS

ARLY ON IN the process, Mack designers and product planners visited truck stops to ask drivers what they liked and did not like about their trucks' interiors.

"With the Anthem cab and sleeper, truck drivers had a big influence on the final product," says Vince Lokers, Chief Designer for the interior from GTT Product Design. Storage was a top concern, so in response the Anthem offers the most storage options of any heavy-duty truck on the market today. Along with Mack's first-ever stand-up sleeper, other driver amenities include more durable and ergonomic seats, an easy-to-use vehicle management display and the latest in onboard information and entertainment systems.

FOR THE EXTERIOR, it was important to maintain the brand's signature bold style, while at the same time making the design more aerodynamic and efficient.

"It was the toughest challenge we faced in the five years of the project," says Lukas Yates, Chief Designer for the Anthem exterior, also from GTT Product Design.

"In the sea of aerodynamic trucks with the



Every part of the new Mack Anthem is designed for quality and durability. The team implemented higher standards for all materials right down to the finish on the Bulldog hood ornament.

same soft forms, we knew Mack needed to be different," he says.

Now the redesigned roof, hood and grille are easily recognisable as a Mack. At the same time, the new design allows better airflow, resulting in up to three per cent improvement in fuel efficiency for customers.

VINCE LOKERS SAYS every part of the Anthem was designed for quality and durability - like the all-metal grab bars and handles. "When a Mack driver grabs these touch points, it feels robust. That was a big factor for us and using quality materials that last a lifetime." The team implemented higher standards for materials and finishes.

"We wanted to create a pure and timeless design so the Anthem will age appropriately and still be best in class 10 years on," Lukas Yates says. "We wanted it to stand the test of time."



Lukas Yates



Vince Lokers

5 favourite things for drivers

For drivers, the cab is their work place and sometimes even a home away from home. Here is what they look for in a cab:



Storage. This is a top priority for drivers and therefore the Mack Anthem has more storage options than any other truck brand.

Comfortable living space. For the first time, it's not only possible to stand up in the sleeper-area but also walk between the cab and the living area.



Ergonomics. The seats are more ergonomic than ever, with a new, more durable fabric.

Easy-to-use displays and great

entertainment. The intuitive instrument panel is designed to increase control.

(5)

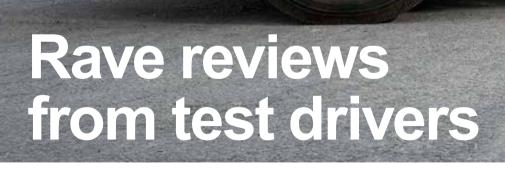
More room to get in and out. A key concept during the design process, this has resulted in features such as a flat-bottom steeringwheel.

MACK ANTHEM

has been camouflaged.

5216

Robbie Padgett and Bob Slaughter from Smithfield Foods in North Carolina tested pilot models of the all-new Anthem in their everyday operations. This is a field truck that



5216

Months before Mack Trucks launched the all-new Anthem series, several customers tested pilot models in their everyday operations. Smithfield Foods in the USA, the world's largest pork processor and hog producer, was one of them.

TEXT JANICE KIZZIAH PHOTOS KIRK PULLEN

"MACK WANTED A customer that would run the wheels off a truck," says Bob Slaughter, Director of fleet maintenance for Smithfield's hog production operation in Warsaw, North Carolina. "We're in the hog business and it's a 24/7 operation. "

Mack built an Anthem day cab to Smithfield's specifications and camouflaged the exterior to



protect the new look. Drivers for the Warsaw unit deliver around 10 loads of feed a day to local hog farmers and they put nearly 53,000 miles on the Anthem from March through September.

While Slaughter no longer drives, he was impressed with the Anthem's new hood opening. "With some models, you have to put all you've

"It has a firm feel, and it's right for the work we do."

ROBBIE PADGETT, TRUCK DRIVER AT SMITHFIELD

got into getting the hood up. With this new Mack, you can do it with one hand."

Smithfield's Robbie Padgett, who has been a truck driver for 24 years, may have spent the most time behind the wheel of the Mack Anthem. "I like the way it handles," he says. "I didn't notice any wallowing on the highway at all and we pull some heavy loads. It has a firm feel and it's right for the work we do."

Padgett found it easy to get in and out of the cab – unlike other trucks he has driven – and he appreciated the ergonomic seats and new steering wheel controls. But he was most impressed with *m*DRIVE, Mack's automated manual transmission. "This was my first experience with it. It was spot on going up through the gears and coming back down. Whoever designed the *m*DRIVE needs a pat on the back."

THE SMITHFIELD TEAM also found the Anthem to be tough and reliable, requiring no maintenance other than oil changes during the testing period. "It didn't give us any trouble," Padgett says. "It's a solid work truck. If all the new trucks coming off the line can perform like this one, Mack has arrived."

After the North Carolina run was complete, Mack moved the Anthem to Smithfield's hog production division in Princeton, Missouri, for cold weather testing. (•)



Bob Slaughter



Robbie Padgett

Used trucks get new lives

Renault Trucks is amongst the first in the automotive industry to convert used trucks for new markets. The project has only been in progress for just over a year, but it has already led to increased resale value and satisfied customers.

TEXT GÖRREL ESPELUND PHOTO NICOLAS DARTIAILH

USED TRUCKS CENTER, LYON

- Repurchases 2,200 trucks a year; they have been on the road for between 36 and 48 months.
- Own workshop with eight technicians, two of whom specialise in the X-Road
- Produces prototypes of converted trucks to match customer requirements

n a parking lot outside the Renault Trucks' Used Trucks Center, in the French city of Lyon, a Renault Premium is waiting to start a new life as an X-Road on the island of La Réunion. It is one of 150 used trucks that have been converted for other

applications in Europe or for export. These conversions are part of Renault Trucks'

ambitious, long-term strategy designed to increase used vehicle resale value. Until now, they have been held back by the fact that the French market for tractor units is not large enough to swallow the approximately 2,200 used trucks that are brought back to Renault Trucks every year.

"In the past, our resale values were lower than those of our competitors. However, by converting our own used trucks and extending their applications, we are raising their value. At the same time, we are able to reach new, larger markets," says Laurent Colpier, Director Business Development Used Trucks.

He is responsible for developing the new

strategy, which was launched in October 2016. The Used Trucks Center in Lyon is playing a key role when it comes to marketing and exporting used trucks, while most conversions take place at the GTO plant in Bourg.

The majority of vehicles are Renault Premium trucks from 2012 onwards, together with more



Laurent Colpier is in charge of developing the new strategy for increasing the resale value.





RESALE STRATEGY

"I am seeing a rapid increase in demand. Customers are satisfied and say that this is only the beginning."

SONIA SAEZ, HEAD OF EXPORT

recent trucks such as Range T which are now being brought back to the centre and could be suitable for conversion.

"Africa is an important market, I am collaborating with the newly established team in Dubai to gain new customers," says Sonia Saez, who works at the Used Trucks Center France as Head of Export.

The team in Dubai has been operational since March 2017 and handles the used trucks business for the Africa and Middle East region, bringing increased brand presence and resale capacity.

For this part of the world, the Premium X-Road is actively promoted by Alex Vosselman, Used Trucks Director International, and his team. It is a more robust tractor, intended for demanding road conditions and therefore very competitive compared with low-budget trucks that are not adapted to a harsher environment.

Some customers have very specific requirements, so Sonia Saez must go and find exactly the right vehicle available in stock. "I am seeing a rapid increase in demand. Customers are satisfied and say that this is only the beginning, not least for the X-Road in Africa," she says.

AMONG OTHER THINGS, conversion gives the vehicle greater ground clearance and more robustness, while the engine is converted from a Euro 5 to a certified Euro 3 and extra fuel and air filters are fitted for Africa and the Middle East.

"We built the prototype of the X-Road in the workshop in Lyon. One of our partners in Guinea even sent his workshop manager, who is extremely familiar with African conditions, to assist us with his knowledge. The team in Dubai has now concluded an order for 150 Premium X-Road trucks to Sudan and Ethiopia," says Sébastien Soulié, Director Used Trucks France.

In the European market, there is a great deal of interest in tractors that are converted to rigids



SUSPENSION

LU I

The air suspencion in the cab is replaced with mechanical absorbers. The truck also has an improved pneumatic rear suspension and mechanical front suspension.

THE ENGINE

CONTRACTOR OF P

For some markets in Africa and the Middle East, the Euro 5 engine needs to be replaced by a certified Euro 3 engine. Extra fuel and air filters are also fitted. THE GEAR BOX The robotised gear box has a new off-road mode.

Stertil

FRCom

DIFFERENTIAL LOCK For driving off-road, having a differential lock is useful.

1

ADAPTATION CENTER, BOURG

- Thirty-five people work at the adaptation centre; six of them specialise in the X-Road.
- The first converted truck was completed in 2016.
- In 2017, 150
 X-Roads will be delivered to Sudan.

for use in agriculture or the construction and building sectors.

"Every conversion is customer adapted. As far as marketing is concerned, this is a totally new approach. We discuss things with our customers and adapt the vehicles to match their requirements. To make things easy, we have produced a catalogue in which customers can select the things they want," explains Eric Bonnard who is Marketing Director Used Trucks France.

As far as he and Sébastien Soulié know, Renault Trucks is the only one in the industry that is converting used trucks to match customer requirements. This calls for another mind-set.

"In actual fact, any workshop is able to convert a truck. But, as we, the manufacturers, are doing it, we have an aftersales organisation and are able to provide a warranty," says Eric Bonnard. Renault Trucks currently also brings up the question of resale values when selling new vehicles.

"We need to think ahead. It is, for example, far less expensive to fit a differential lock directly rather than in conjunction with a conversion. For anyone buying a new truck, this doesn't represent a large difference, but the resale value increases when the truck is traded in, so it's a win-win situation for everyone," explains Sébastien Soulié.

The used trucks are converted at the Adaptation Centre in Bourg. It takes an hour to drive between Lyon and Bourg, where GTO's assembly plant is located. Inside the Adaptation Center, four trucks at different stages of transformation are standing in a row. In the past, the technicians were only involved in adapting new trucks to specific customer requirements. "The challenge is learning to see the used trucks from another angle. The idea is









Center. During the first year, Renault Trucks expects to convert as

not to make new trucks from

used ones but to convert them.

Functionality is more important

than appearance," says Laurent

Genillon, Manager Adaptation

many as 300 trucks from the Renault Premium Series and Range T Series. In 2019, the plan is 1,000 trucks, 700 of which will be converted in Bourg and the remainder at local certified centres worldwide. The knowledge and skills from Bourg will eventually be rolled out at other workshops in various countries, starting in Dubai, which serves the Middle East and the African market. The design solutions will be precision adjusted in France.

"We are now going to use all the skills and expertise we have accumulated over the years we have spent working on body and truck conversions. The people who work at the Adaptation Center have specialist skills," says Jacky Chapel, Manager Customer Adaptation. He and Laurent Ribes, Design Manager, are keen to stress that the project has been a success as a result of continuing collaboration between experts at the different departments in Lyon and Bourg. Together, they drew up a list for

the X-Road, after which Laurent Ribes' design department decided what could be done on the different models.

"Most things can be converted, but the cost has to be reasonable and we only use components and parts that are already available at Renault Trucks. Once an order has been placed, we often have direct contact with the customer and it's my job to find the solutions to match his or her requirements. We create new routines and try to find effective working methods. The target is to document the work flow so that we have a standard, but we still have some way to go," says Laurent Ribes.

"The idea is not to make new trucks from used ones but to convert them. Functionality is more important than appearance."

LAURENT GENILLON. MANAGER ADAPTION CENTER

HE GROUP TRUCKS Asia & JVs organisation had a broad and challenging task when it started out in mid-2016: support the Volvo Group's goal to capture the growth potential in Asia and emerging markets.

There has been significant progress since then. Over the past year and a half, GTA has overseen the launch of two new UD-branded trucks designed for customers in markets outside Japan: the medium-duty Croner and the light-duty Kuzer. It has also managed the global relaunch of the heavy-duty Quester to boost sales.

Meanwhile, GTA's management is charged with overseeing Volvo Group Trucks' joint ventures in India and China, VECV and DFCV, and leveraging both for growth.

"It's been a busy and very successful start. We've moved faster and come further than we expected, our JVs are performing well," says Håkan Karlsson, President of GTA & JVs.

SALES OF UD-BRANDED vehicles have doubled and order numbers are healthy, he adds.

"The pace in Asia is incredible. For example, both China and India will have Euro 6 engine requirements in place by 2020 and governments in both China and India are introducing reforms that will accelerate their markets towards more modern logistics. Having an organisation that is dedicated to emerging markets is helping us and our joint ventures to stay on top of such wideranging changes."

"The pace in Asia is incredible"

Forty markets, three strong brands and one main goal: to grow profitably in emerging markets.

TEXT LINA TÖRNQUIST PHOTO JONAS TOBIN

Strong global market position with JVs

Markets outside China and India represent some 50 per cent of the global truck market.

In these markets the Volvo Group has a market share of around 15 per cent with its own truck brands.

China and India represent the other half of the global truck market. In this fast-growing part of the world, Volvo Group's own truck brands have a very limited share of the market.

Through the joint ventures with Dongfeng and Eicher, the Volvo Group has a strong total global presence and market position.





GROUP TRUCKS ASIA & JVS

Employees: 1,825

Headquarters: Singapore

Market: Spans 40 countries in Asia and emerging markets, such as Thailand and Indonesia, as well as the Middle East, Africa and Latin America. Group Trucks Asia & JVs also has a presence in India and China through the joint venture companies DFCV (Dongfeng) and VECV (Eicher).

Brands: UD Trucks (Quester, Croner, Kuzer) as well as Eicher and Dongfeng

The next step for the organisation is establishing a long-term strategic plan that leverages the full potential. "That is what we are dedicated to now," says Håkan Karlsson. "But we are not doing it alone, we are working together with all Volvo Group functions and our JVs. This cross-functional approach is working well."

Why are there two organisations in charge of the UD truck range, both GTA and UD in Japan?

"We are targeting different customers and price segments in Japan, Asia and emerging markets. Our joint strategy is to work as one UD brand with two product platforms; the heavy-duty Quon produced by UD Trucks in Japan is related to the Volvo HD platform, while the Quester, Croner and Kuzer are based on a separate platform designed for Asia, in a separate value chain with leaner cost structures.

"We are collaborating well with Joachim Rosenberg and UD Japan, with Quon, Quester, Croner and Kuzer as one UD portfolio and retail network. GTA will strive for a leading position in the markets outside Japan."

If GTA has developed vehicles for emerging markets, why are the Volvo Group's investments in joint ventures necessary?

"Half the world's trucks are sold in China and India, two of the biggest markets, and developments are taking place extremely quickly. Together with our joint-venture partners, we have 15 per cent of that part of the market, but without them we have only one per cent.

"Our task is to support our joint ventures to become leading players and to leverage volume synergies between the Volvo Group and the JVs to become more competitive. We have significant potential if we can manage this." ●

GROUP TRUCKS ASIA & JVS

Suresh George, Sales Manager, United Diesel, believes that by introducing automatic transmission in medium-duty trucks, the all new Croner offers huge potential for the Middle Eastern market.

Automatic winner

UD Trucks recently launched the all new Croner, a mediumduty truck for emerging markets in the Middle East and Africa. It is already making a significant contribution to increasing customers' productivity.

TEXT ALASTAIR MACDUFF PHOTO RUTA JURKUVENAITE & SHAFI SAIDU

URESH GEORGE IS a man on a mission. As Sales Manager at United Diesel in Dubai, he is often out on the road meeting customers. "We want every prospective customer to see the trucks. By taking the trucks to them, we can show the quality and value we have to offer."

United Diesel is a UD Trucks dealer based in the United Arab Emirates. They have a long association with UD, stretching back to the 1970s. With the launch of the new Croner in May 2017, they are able to offer their customers a truck with automatic transmission that delivers maximum fuel and driver efficiency as well as durability for demanding road conditions.

Khaled Alzeir, Operator Manager at Interplast, is one of United Diesel's most valued customers. Interplast manufacture plastics for a vast range of industries and have customers throughout the UAE. "Our business involves making local and regional deliveries, including to some remote areas," explains Khaled Alzeir. "We already had twenty UD trucks in our





Khaled Alzeir, Operator Manager at Interplast, expects the company to invest in more Croners in coming years, since the new truck offers a good combination of driver comfort and safety. They can also continue to rely on excellent aftersales services from United Diesel.

fleet and were happy with the service and quality. United Diesel told us about the Croner and it sounded interesting and worth considering."

SURESH GEORGE BELIEVES the launch of the new Croner is significant for the Middle Eastern market. "Historically customers here prefer trucks from Japan. Criteria such as durability, fuel economy, cost of ownership and resale value are most important to them. By offering all this in a truck with automatic transmission, we can help their businesses in both the short and longterm."

The introduction of automatic transmission is seen as a potentially exciting development for mediumduty trucks in the Middle Eastern and African markets. By making driving easier, the hope is that this can help businesses attract drivers as driver shortage and lack of experience are ongoing issues.

Since the new Croner appeared on the market, Interplast has invested in two units, with more in the pipeline. It is a case of so far, so good, according to Khaled Alzeir. "Our drivers have been very impressed with the new trucks. The new cab feels very comfortable and safe. For our business, the aftersales services such as workshop maintenance and spare parts help us a lot. In the coming years we will be phasing out the older units in our fleet. We will definitely be investing in more Croner trucks as they are ideal for our transport requirements." •

UNITED DIESEL LLC, AL ROSTAMANI GROUP

Established: 1973 Based: Dubai, United Arab Emirates

Number of employees: 150

Authorised distributor in the UAE: UD Trucks, Renault Trucks, Tata Motors, Daewoo Trucks, Dongfeng and Unicarriers Forklift

INTERPLAST

Nature of business: Plastics manufacturing Established: 1981 Based: Sharjah, United Arab Emirates Number of trucks in fleet: 85, including 20 UD trucks

VOLVO PENTA

Ready for the future

Volvo Penta has long distinguished itself in the industrial and marine industries through its many unique innovations. But rapid technological change is bringing new challenges and, if Volvo Penta is to remain a leader, it needs to adapt.

TEXT NIC TOWNSEND PHOTO ROBIN ARON OLSSON

N A SMALL, sparely furnished workshop, in an inconspicuous factory just west of Gothenburg, a small team of engineers are making Volvo Penta's first steps into the field of electromobility. Right now, their work space looks improvised and chaotic, but next year Volvo Penta will have a modern, state-of-the-art electromobility workshop connected with its test lab at Campus Lundby.

"We got this space ready earlier this year," explains Thorbjörn Lundqvist, Director New Technology. "It doesn't look like much now, but it serves our purposes well in terms of flexibility and modularity. We can build knowledge and product maturity by connecting and running all the systems and components that are needed in an electric driveline. When you start integrating things into complete systems, it shows both us and our customers that we are not just talking, we are taking this technology very seriously."



Thorbjörn Lundqvist, Director New Technology, and Hanna Ljungqvist, Vice President New Business, both believe that closer collaboration between technological and business development is vital.

Automation

112.1

Automated solutions have already made inroads in the marine industry, where they can assist in complex manoeuvring. In fact, the Dynamic Positioning System – a function that uses GPS to hold a boat's position – was the first automated solution to be launched by the Volvo Group. Automation is also being used increasingly in industrial applications in mining and agriculture, where they can improve safety and productivity. "We see the same trends in our industries as the rest of the Volvo Group: electrification, automation and connectivity."

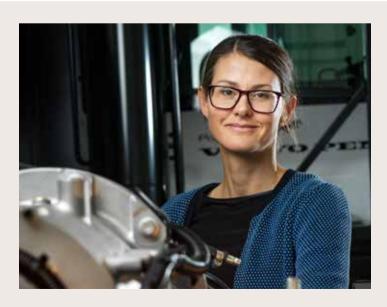
HANNA LJUNGQVIST, VICE PRESIDENT NEW BUSINESS, VOLVO PENTA

Like many industries, electrification – along with automation and connectivity – is about to change Volvo Penta's key segments. "Luckily for us, the Volvo Group started working with electromobility at an early stage, so we're in a position where we can leverage that technology," adds Thorbjörn Lundqvist.

HOWEVER, VOLVO PENTA differs from other Volvo Group companies in that it is not a vehicle manufacturer – it supplies subsystems to other manufacturers, who in turn supply solutions to customers in a wide variety of different segments and applications. "There is tremendous complexity because we have such a diverse customer base from off-road applications such as mining equipment to stationary power generation, to vessels for transporting goods on rivers to leisure yachts," says Hanna Ljungqvist, Vice President New Business. "The Volvo Group's technology is a great platform, but we can't just take it and try to sell it to every customer. The trick for us is to work out how we can use the technology to bring value to our customers."

This means that close collaboration between technology development and business development is vital, so that any new solutions will meet a specific market need. To help strengthen this collaboration, Volvo Penta has created two new functions: New Technology Development and New Business Development.

"One of our strengths up until now is that we know our customers so well and we know what to focus on to develop a competitive diesel product," says Hanna Ljungqvist. "But we are now moving into new areas, business and technology need to be developed in close iteration, together with customers, to explore the way forward. These two new functions will help accelerate this transition and ensure that we develop new technology, business models and services that will future-proof Volvo Penta as a world leader in sustainable power solutions." •



Connectivity

Connectivity is spreading to different degrees in different industries. In the industrial off-road segment, connected services are already being used by operators to track vehicles and fleets in real time and are optimising uptime and productivity accordingly. Commercial marine applications will see similar opportunities. Leisure boat owners, who are becoming accustomed to connectivity in numerous consumer products, now expect these services in their boats as well, especially when it comes to simplifying ownership, as well as improving security and safety.

Electrification

Across Volvo Penta's two main segments - industrial and marine - the push towards full-electric and hybrid engines is rapidly increasing, being driven primarily by the need to reduce emissions. In some industries, reducing or eliminating CO₂ emissions will be key to remaining competitive in coming years and, as the cost of electric power continues to decrease, and battery technology improves, it will soon be a good business case to go electric in many off-road applications. On the marine side, clean public transportation initiatives will include ferries, while many leisure boat owners also want the modernity and comfort of electric power. In parallel with offering electrified drivelines, charging infrastructure must be developed at the point of operation, which, along with battery size and cost, are the main obstacles to the pace of electrification.

CONTRACTOR OF THE OWNER, NAME

"We are starting up at the same time as we are seeing a shift in our market," says Thorbjörn Lundqvist, on Volvo Penta's new electromobility workshop. "Luckily for us, the Volvo Group started even earlier and we can leverage that technology."

insights understanding the world around us

QUESTIONS TO KIDIST SIGED TSEGAW

QUALITY ENGINEER AT THE GTO CAB PLANT IN UMEÅ, SWEDEN

ESPITE THEIR QUALIFICATIONS and experience, many new residents in Sweden have difficulties finding employment. Through the Jobbsprånget (Job leap) programme, Kidist Siged Tsegaw, who moved from Ethiopia last year, gained valuable experience at the GTO cab plant in Umeå.

What has been your biggest challenge since moving to Sweden?

"Without connections, trying to start a new life and find work has been very difficult. I've gotten to know other Ethiopians living in Sweden, who have helped me, but it has been a struggle – first in Stockholm and later when I moved to Umeå. I was looking for work every day – from morning to night. During the day, I would hand in my CV at different places and then apply for jobs online in the evening – but for a long time nothing worked out."

How did you come to work at the Volvo Group?

"I saw an advertisement for the Jobbsprånget programme and thought it sounded good since I have a degree in civil engineering. I took their tests and applied for around ten companies, before the Volvo Group offered me a four-month internship at the cab plant in Umeå."

THE JOB LEAP

The Job leap (Jobbsprånget) is a four-month internship programme aimed at helping new residents with academic qualifications get into the Swedish job market. It is run by the Royal Swedish Academy of Engineering Sciences (IVA) and is aimed at engineers, architects, scientists and economists. The purpose of the programme is to give participants an opportunity to demonstrate their full potential. For employers, the programme offers the opportunity to discover new talent in areas where there is a skills shortage.

What has it been like to work at the Volvo Group?

"I received a very warm welcome on the first day and everyone has been very nice. The people who work here know a lot and are willing to teach, so there have been a lot of opportunities for me to learn. Last summer, I represented the Volvo Group, alongside Martin Lundstedt, at a seminar during Almedalen Week (annual Swedish political forum). I talked about my difficulties finding work in Sweden and how the Jobbsprånget programme helped. Martin was very friendly and positive and was moved by my story, so it was a real privilege to meet him."

What are your impressions of Swedish culture?

"I've experienced lots of Swedish traditions since I've been here, like midsummer, national holidays and fika. I've also started liking icehockey and last September I went to my first game. The culture is very different – people are very private and respect each other's boundaries, whereas, in my culture, people have no problems entering people's personal space and starting a conversation. I thought the cold and dark would be difficult, but I've actually adapted to it quite well."

What are your aspirations moving forward?

"I would like to continue working as an engineer at Volvo Group if the opportunity comes up. One day, I would like to be a project manager – and this is something I think I could do. I have been here for seven months – four-month internship followed by three months employment – and this experience has proven to me that I can be someone here. For now, I will stay in Umeå, but one day I would like to work in Gothenburg and see the rest of the company."

NIC TOWNSEND

PHOTO: ERIK ABEL Since arriving in Sweden from Ethiopia, Kidist Siged Tsegaw has made many new friends at the Volvo Group, including Martin Lundstedt, who she met last summer when they spoke at a seminar together.

insights understanding the world around us



The Volvo Trucks' initiative Iron Women includes practice, theory and training in simulators. "We also have a training course called Transformar, a programme to change driving attitudes," says Ana Caballero, one of the participants.

Training to be a truck driver

Last year, the Volvo Group donated ten million Swedish kronor to local projects all over the world. Ana Caballero is one of 100 women in Peru who got the chance to train to be a truck driver thanks to the seasonal gift.

N JUNE THIS YEAR, the first participants in Volvo Trucks' Iron Women programme entered the classroom. The initiative, which is being run in conjunction with the Ministry of Transport and Communications (MTC) and ANATEC, a non-profit civil association dedicated to training drivers, has set itself the target of training 100 women in truck driving.

Today, very few of Peru's trucks drivers are women and Marcus Hörberg, Managing Director of Volvo Peru, believes there will be many beneficiaries from the venture.

"Iron Women will contribute to

SEASONAL GIFT

- The Volvo Group annually donates a seasonal gift on behalf of its employees to projects that will create shared value. Iron Women is one of 14 local projects made possible by the seasonal gift in 2016.
- The projects which include everything from traffic safety and driver training to educational grants and support for orphanages - are selected by a committee of employee representatives from the AB Volvo Board, members of the executive board and Martin Lundstedt, CEO.
- ▶ The seasonal gift in 2017 will also be distributed to local projects. You can read more details about the projects on Violin.

increased diversity in the Peruvian transport industry. Our customers will not only have another source for recruiting professional and responsible drivers, they will also achieve improved profitability with less crash repair costs, improved fuel consumption and improved uptime," he says.

One of the participants in the first group was Ana Caballero, who previously worked for a public transport company. She used to work long days, often working from six in the morning until 11 in the evening. After she had a child, she felt she wanted to do something else.

"I was so excited to receive the invitation to Iron Women and the programme has already meant a lot to me. The training has been very good and I really want to learn everything I can from Volvo Trucks," says Ana Caballero.

THE TRAINING PROGRAMME allows students to acquire the skills and knowledge necessary to drive trucks and obtain an AIIIB, a licence that allows people to drive vehicles of more than 12 tonnes. Once Ana Caballero gets her licence, she is planning to work as a truck driver, but in the future she would like to have her own company.

"My main challenge now is to learn and then work hard and respectfully. I'm sure this programme will give me a lot of opportunities which, for economic reasons, I didn't have before. I'm very grateful for that," she says. .

Tips to improve mental performance at work

Research shows that, after 25 minutes working on the same task, our brain capacity drops to 70 per cent. After 50 minutes, it drops to 50 per cent. However, by taking better care of our mental well-being, we can ensure we remain sharp and focused.

Take regular breaks

Short, regular breaks are crucial for boosting energy and recharging your brain capacity. Even if it is just one minute, stop what you are doing and let your mind wander. The optimal break frequency is every 25-30 minutes. While this is not always possible, it is still important to find time for short breaks when you can and you will soon notice improved concentration and energy levels.

Use your breaks effectively

Taking a break means completely tuning out and letting go and the best way of doing this is through a mindfulness exercise. The most common involve controlled breathing and focusing on your senses. When you do these exercises, you effectively disconnect your brain, hit the restart button and return fresh and revitalised. For some suggested exercises, check the My Mental Energy Pro App (see right).



MY MENTAL ENERGY PRO APP

To help employees improve their mental well-being, the Volvo Group has launched the My Mental Energy Pro App. It includes 50 brain exercises, ranging from 2-12 minutes. It also includes a self-assessment tool, which helps measure concentration and stress and, based on these results, suggests a number of exercises. The app is available in Navigator.

Focus on one task at a time

When we multitask, we think we are being efficient, but this is an illusion. The reality is that we cannot do more than one thing at the same time and what we are actually doing is quickly and constantly shifting between different tasks. As we shift, we lose energy and concentration. Studies show that, when we multitask, our IQ levels decrease by about 10 points. Instead, focus on one task at a time and only move onto the next task once it is complete.

Ask yourself – how am I feeling?

It is not always easy to recognise when our brains are full and inefficient, which is why it is easy to be under the illusion that we are being productive when we multitask and do not take breaks. By filling in a self-assessment questionnaire, you can analyse your own mental health and performance and prevent stress and fatigue before they occur.

Other resources for Volvo Group employees

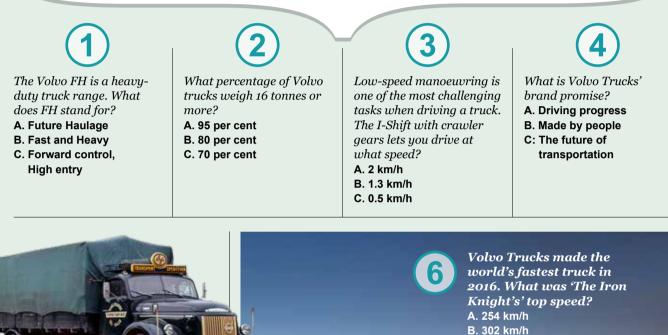
The Wellbeing Toolbox on Violin includes twelve tools, including two different self-assessment questionnaires that can help you diagnose and prevent poor mental performance. It is available at the Employee Center.

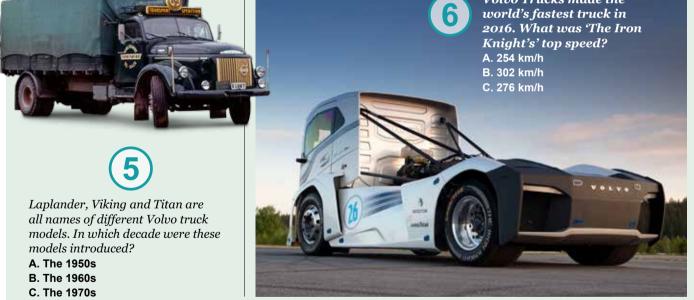
Twenty-minute mindfulness sessions are offered twice a week via Skype on Violin. They are free and available to all Volvo Group employees.

An internal study measuring the level of mental wellbeing and stress and devising proposals to deal with it, will be available in 2018.

How much do you know about Volvo Trucks?

The first Volvo truck rolled out of the factory in Lundby in 1928. Today Volvo trucks can be found in more than 140 countries all over the world. Test your knowledge of the Volvo Group's first truck brand and get the chance to win a playful kids' tent.







For more Volvo Trucks merchandise, visit merchandise.volvogroup.com/volvotrucks

Win a playful kids' tent!

Three lucky winners will get a kids' tent in a unique Volvo Trucks design. The tent is easy to assemble and works equally well indoors and outdoors. Email your answers to **groupmagazine@volvo.com** no later than 31 January 2018. Write "Quiz" in the subject line and remember to include your name and address. The winners of the quiz in Volvo Group Magazine #3 2017 were David Wallgren, Sweden, Seltzer Wess, USA, Joji George, India, Ray Dueck, Canada, Peo Valingsten, Sweden, Carol Holmes, USA, Filip Audenaert, Belgium, Gabriel Guillen, Peru, Amir Reza Soleimani, Australia and Alberto Romero, Spain. The correct answers in #3 were: 1A, 2B, 3C, 4A, 5C, 6B.

