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Food and Dairy  
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## Granarolo the Company

The GRANAROLO Group is Italy's biggest processor of fresh milk, the first Group for yoghurt and fresh dairy products completely owned by Italian milk farmers. Granarolo is a front-runner in industrial gastronomy and prepared foods as well.

The Group processes milk products (fresh, UHT, high-temperature pasteurised, organic milk,) and dairy products (yoghurt, mozzarella, stracchino, ricotta, fresh cheeses, etc.), as well as desserts, gastronomic products and eggs.

The work is carried out in 13 production facilities and more than 100 distribution centres, by 1,920 persons.

Focused on product quality, on monitoring the entire production chain, and on increasingly advanced technologies (for the naturalness of the product), Granarolo has obtained Sa 8000 ethical certification and the certification of the traceability system in the chain and in the controlled agricultural – foodstuffs chain. Dozens of awards for compliance with international quality and environmental management standards have been obtained as well.

## The person and its curriculum

Rossella Saoncella: 51 years old , degree in physics and Master in Business Administration (MBA).

She is part of Granarolo administration since 1993, with the task of re-organising the administrative and financial area.

She has re-established trust and excellent relationship with banks and financial institutions and has concluded the first acquisitions for the account of Granarolo..

In 2004 she headed the transaction to save Yomo, bringing the old Milan-based group's business under Granarolo management, through the company Yogolat Srl of which she is Chairman.

In 2005 she has been appointed General Manager of the Granarolo Group.

She holds various functions: chairman of “ Vercelli Specialità Gastronomiche S.p.A”, chairman of “Area 2003” and “AgriOk S.p.A” and, finally, head of the administrative and financial area of the Group , as well as that of C.S.R. (Corporate Social Responsibility).

## A brief introduction

**Q.** *Ms. Saoncella, you are one of the few women in the whole Italian milk – dairy sector to have a very important, key role. As well as skills you gained from studying and experience, what human and relationship management characteristics are needed for your job and how far has being a woman contributed to shaping them, adding originality?*

**A.** I have to say that, by chance or luck I've had a career alongside Chairman Mr. Sita, with whom I've worked for more than 20 years – in which gender was never a criteria when assessing a manager. I've had a well-balanced career, without fits and starts and without having to fight to prevail.



So, like any other manager, I've been assessed on the basis of what I've done and the results I've achieved. Obviously, as is the case for everyone, my character, sensibility and even sharpness have all been part of my management style.

The principle I've always tried to apply in my professional life, and of which I'm absolutely convinced, is that leadership isn't something you achieve by exercising the power of an office, but by taking on the burdens of responsibility fully and unconditionally. If you are sure of this, management style is a consequence, and the aspects involved are strictness with yourself, recognition of others, teamwork, and more besides. Whether it's feminine or masculine is irrelevant.

**Q.** *Could you give us a brief outline of the actual, rather than ideal, profile of an Italian female manager, describing the most important features?*

**A.** Unfortunately, if the Italian female manager's ambitions include a full family life, she has to be something of a superwoman. Not because there is any particular hostility to this, but because it's a simple fact that women normally take more responsibility for looking after a family than men do. Our society isn't yet organised in such a way as to allow the family to free up much family time for work, and this still affects women more than men. It seems to me that we are a long way from certain standards applied in Northern Europe where these issues were dealt with some time ago, by working on the organisational components of society which can mitigate the burden of taking care of a family.

### Opinions and ideas

**Q.** *Granarolo is first and foremost synonymous with "milk", which, from an indistinct "consumer item" has gradually been transformed into a "service asset" which meets different requirements. What is the company strategy behind the focus on fresh milk?*

**A.** It's the effort, by enriching the intangible values of a product (healthiness, naturalness, quality, safety, service, etc. ), of making the most of the work done every day by our shareholders, our Italian milk producing members. Our members get satisfaction from managing their farms in so far as their company, Granarolo, is able to get the very best out of their products on the market. We decided to do this by making fresh milk a product that isn't just white any more, but a product that can be diversified to cater for different needs, in terms of taste, organoleptic properties and even service: we made it full of flavour by improving the quality of the agricultural production; we enhanced the values which consumers can appreciate; we obtained all possible forms from it to meet every type of requirement; we emphasised service by working on production techniques and packaging systems.

We see ourselves as a chain company, in which the principles of dividing added value incorporate the interests of all of the links in the chain, not just some of them.



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**Q.** *Granarolo also links its names to research for new products. How has the domestic and international milk product market changed and what changes are currently taking place? What scenarios are developing in light of the new EU 25 ? What part will Granarolo play?*

**A.** Basic commodities companies thrive on new products. To note that the “simpler” the products are at industrial level, the increase in innovation can avoid the “commodization” of the products.

If we look at our market 10 years ago and see which segments lost value over this period, we find that they are the most ordinary products, those repeatable by companies of any size. Take for instance UHT milk, which at its most used has become a pure commodity. In contrast, the creation of added value comes from innovation, of which only big companies are capable since they invest in research.

Therefore, if I were to say what I expect from the EU 25, I’d expect, in the short-term, competition over the less industrially complex segments of the chain: definitely the agricultural part, and we are already seeing the effects even on the Italian market. In the industrial part I expect competition on commodities and semi-finished products. In the medium-term, these markets will become more similar to those of the old EU, industrial capacity will grow and lifestyles and expectations of populations will also improve. This means that there will have to be an upward level of consumption. In the meantime, I believe that the markets of the old EU in our sector will lose value.

**Q.** *Visiting the Granarolo web site it’s easy to see that “high quality” and “well-being” are recurring themes. How does the company pursue these two values and how are they linked to one another? In particular, to do your duty (to the consumer) by providing quality, how significant is workforce training (from labourers to managers)?*

**A.** A huge effort is put in, and that will always be the case. I think that Granarolo is the best “certified” Group in Italy, because we believe that adopting quality systems certified by third parties could be a way of giving greater credibility to things which otherwise risk just looking like declarations.

This choice involved and continues to involve an important part of company resources, and it helped us a lot because the certification processes include a training programme, to educate and raise the awareness of everyone taking part in that operating process.

If managing quality processes do not become an integral part of the skill system, we risk having a company that’s exemplary on paper, but in actual fact has many flaws. So we work hard, and we invest a lot in terms of resources, both managerial and financial.

**Q.** *The concept of “satisfaction” (for the customer, consumer, member producer, personnel, shareholder) is also considered a very important goal to be pursued in the Granarolo mission. What is the formula for harmonising interests which may appear different?*

*And, on the same subject, what is “satisfaction” for a manager, who is asked, amongst other “duties”, to provide constant teamwork and debate?*



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**A.** The idea of satisfaction for a wide audience of people referred to as “stakeholders” in the company, starts from a simple concept: anyone who has a relationship with the company invests in it in their own way, and expects this investment to be profitable. In the idea of satisfaction for this audience we recognise that the relationship with stakeholders must allow a “profit” for all, otherwise the relationship will not stand the test of time.

For example: if I don’t keep the promises I make to the consumers of my products, they will stop buying them; if I don’t treat my suppliers in a fair and equal way, I’ll get worse conditions or worse service; if I adopt technologies that pollute the environment to cut costs, sooner or later there will be negative consequences; and so on.

Satisfaction for a manager is something which can vary from one company to the next, and your take on this can define a whole company style. Ours is that managers must be paid for their work at a rate in line with the market and the skills necessary to cover a certain role. True satisfaction is identifying with company goals and seeing your positive contribution to the company’s success.

**Q.** *Ethics and market are two words which conjure up meanings which are sometimes far apart. Do you think it’s possible to bring together ethics and market? In the day-to-day running of a large company, how do you reconcile the demand for product quality with a policy of prices which is fair and, at the same time, competitive?*

**A.** I believe that when you talk about ethics you’re talking about people’s behaviour in their relationships with others, and I mean others in the widest possible sense of the word. So, for us, ethics means modelling everyday behaviours on several principles as declared in our code of ethics. However,, within these principles, I’d like to emphasise that there is no ethic in a company which doesn’t create the conditions for its survival over time by generating economic value. Every day companies make choices, which have to be the best compromise between the need to create value and the need to achieve it in a proper way, taking into account the profit of the stakeholders. The continuous search, without shortcuts, for this “reconciliation” of interests is the daily work of all Granarolo managers.

Also, since we operate on an open and competitive market, we are judged by the consumers who are well aware of how they can express their appreciation or instead make us understand when something isn’t working.

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(interview edited by Zena Roncada, for CLAL)