

CASE STUDY

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Culture, Trust, and Leadership at Sanitarium Health Food Company.

A legacy brand that not only withstood the challenges of a global pandemic but emerged stronger, more innovative, and culturally aligned. Through purposeful investment in leadership and trust, Sanitarium set the foundation for long-term growth and resilience.



Background

A purpose-driven cultural journey that fuelled innovation, empowered leaders, and secured sustained performance.

For over 125 years, Sanitarium has played a key role in nourishing Australian families. Founded in 1898 and wholly owned by the Seventh-day Adventist Church, its mission is grounded in health, service, and social responsibility. But in 2011, facing cultural rigidity and internal silos, the organisation recognised the need for deep change.

Sanitarium partnered with Human Synergistics to drive a transformation grounded in leadership development, trust, and cultural clarity.

Challenge

Sanitarium faced an outdated, uniform culture rooted in long-standing tradition—a “cradle-to-grave” employment mindset that limited agility and growth.

To stay relevant and thrive in a competitive market, Sanitarium needed to:

- Shift from a conservative and defensive “red-green” culture.
- Embrace inclusivity and innovation while staying true to its purpose.
- Build leadership capability to navigate complex change.
- Foster trust across a more diverse, dynamic workforce.

Solution

Sanitarium took a long-term, deliberate approach to transformation:

Data-Driven Cultural Change

Introduced tools like the Life Styles Inventory™ (LSI) and Organisational Effectiveness Inventory™ (OEI) to provide measurable insights and language for change.

Leadership Development

Built leadership capability aligned to key principles: Create Clarity, Model the Way, Build Capability, Deliver Success.

Rebuild Trust as a Core Value

Embedded a trust model based on credibility, reliability, intimacy, and self-awareness. Leaders were coached to build stronger connections with their teams.

Culture as a Strategic Lever

Cultural transformation was not treated as a side initiative but a strategic enabler of performance, innovation, and resilience.

Celebrate and Sustain Progress

By 2023, Sanitarium had achieved a “blue” culture above the 50th percentile across all constructive styles. Progress was shared regularly, building energy and ownership.

The power
of trust

It's a Journey

Outcomes

Over the past decade, Sanitarium has experienced significant cultural and business shifts:

Resilience Through Crisis

- Navigated COVID-19 by focusing on people, purpose, and the future—ramping up production by 25% to meet surging demand.

Innovation Accelerated

- Launched new ventures like the Alternative Dairy Company, now a leader in the café non-dairy space.

Stronger Employee Engagement

- Empowered employees who felt safe, supported, and aligned with the mission.

Leadership Mindset Shift

- Moved from legacy-based management to a culture of empowerment, coaching, and trust.

Sustainable Growth

- Sanitarium is now positioned for continued success, with culture as a core driver of both market performance and internal wellbeing.



Key Learnings

Trust Builds the Foundation

- When leaders demonstrate credibility and care, they create psychological safety and unlock discretionary effort.

Leadership Modelling is Critical

- Leaders like Raymond—who moved from the floor to leadership—proved that change is personal. His team saw a 30% efficiency gain and 50% reduction in customer complaints.

Hire for Cultural Fit, Train for Skill

- In building the Alternative Dairy Company, Sanitarium hired based on character and cultural alignment, enabling fast learning and performance.

Culture Fuels Innovation

- Sanitarium’s “culture on steroids” enabled bold experimentation. Their café plant-based milk line, initially rejected, became an \$80 million success story in under four years.

Purpose Unites Diverse Teams

- While fewer employees now share the company’s religious background, alignment with the broader purpose remains strong.

Key Learnings

Sanitarium continues to embed and evolve its culture, proving that leadership, trust, and purpose are not just ideals—they are competitive advantages



Todd Saunders,
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at Sanitarium Health Food Company
2023 Annual Culture & Leadership Conference

