



Stora Enso

Why would one of the world's oldest companies seek to reinvent itself?

Renewable materials company Stora Enso has led the industry for over 800 years and intends to keep it that way by changing everything it knows. With IMD they started on a transformational journey.

Overview

Context

A global leader in renewable materials with 65% of their business in paper struggling to survive in the rise of the digital age. [Page 3](#)

Challenge

Shift the organizational mindset from short-term actions to survive to a long-term vision and strategy to win and grow. Build the capabilities and shared commitment to succeed. [Page 4](#)

Custom approach

Engage a very diverse group of employees and senior management in re-thinking the business and challenging the status-quo through highly explorative and disruptive approaches. [Page 6](#)

Impact

A newly diversified business fit to compete in the future. Encouraging revenues and growth. A company culture, vision and values which employees identify with and aspire to bring to life. [Page 8](#)

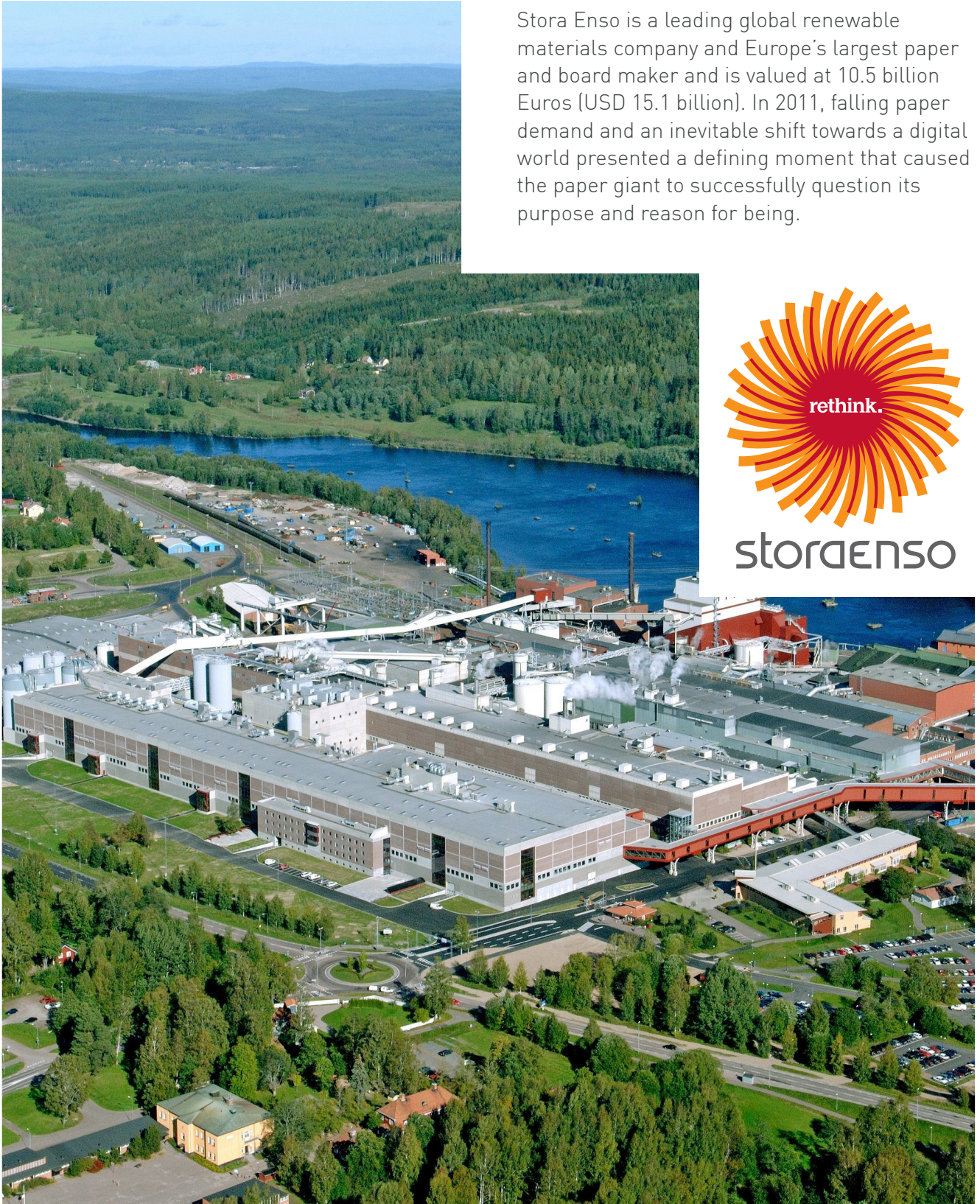
“ We first considered working with consultants and then looked at business schools. It became quickly very clear to us that IMD was the obvious choice as they had no pre-set formulas, but really took an explorative approach working with clients. Our CEO was deeply convinced that our success to transform depended on the ability of our top team to connect with the whole organization and explore what it would take for us to be successful in the future. IMD made this possible.



Lars Haggström
Head of Global People and Organization
Stora Enso

Context

Stora Enso is a leading global renewable materials company and Europe's largest paper and board maker and is valued at 10.5 billion Euros (USD 15.1 billion). In 2011, falling paper demand and an inevitable shift towards a digital world presented a defining moment that caused the paper giant to successfully question its purpose and reason for being.





Challenge

None of the company's continuous improvement initiatives managed to prevent declining sales. The CEO realized his company needed to re-imagine its future by reinventing its business model to include new innovations and new ways of working.

Through those troubled years, overdue structural changes were made, resulting in 11,000 job cuts worldwide. As the company became profitable again, the challenge of the leadership team shifted from fighting for survival to fighting to win. The company needed to discover what they wanted to be in the future and how they could become successful at playing a different game.

Custom approach

Stora Enso partnered with IMD to help them find new ways to be successful in the future. Here are some examples of how we worked together over a period of 5 years on multiple programs:

Pathfinder (2011 -2012)

The top team recognized not having the diversity of thinking and new perspectives needed to move the organization forward and so took what was perceived to be a very bold and transparent approach. They invited people from across the organization to apply for the pathfinder program to become a "shadow cabinet" that worked side by side with the executive board to help define the future path the organization would take.

Program framework

Phase 1

Participants were hypothetically fired from the company as a means to open up their way of thinking, encouraging them to truly explore real world issues outside the boardroom walls.

Phase 2

Participants were asked to use their insights to challenge the company's current business position and to gauge its preparedness for the future.

Phase 3

Participants were asked to develop scenarios, options and alternatives for future growth and in the final stage, they shared their entire journey with their colleagues and presented their ultimate recommendations.

Pathbuilder (2012 – 2015)

The focus shifted from finding the way to charting the way forward

Less than a year later, a new group of senior executives and employees, selected through the same open process, came together to develop mid- to long-term initiatives building on the new strategic plan and also focused on developing capabilities around the company's key challenges in four specific areas: strategy, innovation, corporate social responsibility and leadership.

Program framework

Phase 1

Introduction challenge: How do companies transform themselves?

Phase 2

Idea generation through external perspectives

Phase 3

Implementation planning through internal engagement

Phase 4

Communication preparation for the Group Leadership Team presentation

Mega-dive (2015)

More recently, IMD intervened during a company's annual meeting. The specific approach used was a **mega-dive**, which is a highly interactive and structured process to engage a maximum of people in a room to get their input and generate ideas on how to move the company forward. As an immediate result, the output of the mega-dive was used as input to develop the next step of their journey which was Pathbreaker.

Pathbreaker (2015)

Pathbreaker is an action learning oriented program in 4 modules for the top 150 executives which are rolled out in waves of 50 participants. The ultimate goal is to realize and implement the ideas that have been initiated during the mega-dive. It is a vehicle for implementation.

In 2016, the Pathbreaker program also included a one-week long market dive in China.



Impact

Five years into their transformation journey, results are very positive. New products and markets have been addressed and encouraging revenues are being reported. In 2006 only 30% of the revenue came from other sources than the paper business. That number has since increased to 64% in Q3/2015.

In terms of company culture, we helped them break down old thinking and decision patterns, encouraged new learning approaches to tackle critical business challenges while offering real world opportunities to explore new ways of defining business and approaching market concerns.



Insights from the client's perspective

1. Selection of participants is a first powerful lever to bring in novel perspectives (and to discover hidden talents)
2. Engaging different parts of the organization is essential to start building strategic sensitivity on an organizational level
3. External perspectives from guest speakers, company visits and case studies challenge the status quo in powerful ways
4. Conceptual frameworks and structured thinking skills support the problem solving and communication process
5. Projects need to be truly challenging and mission critical for the future of the organization
6. To create buy-in and motivation, the top team needs to be involved throughout the learning journey
7. Building a trusting atmosphere between top team and participants is a foundation for open conversations
8. Discussing insights with the top team creates healthy tension and debate – also among top team members
9. Language matters – a meaningful program name creates identity for the participants
10. Large scale annual company events can be leveraged as a platform for expanding and deepening the dual structure
11. Connecting different initiatives with one another helps to ensure follow up and execution of business ideas and proposals
12. Working with the network-structure as well as the line organization is a must
13. It takes time, but... it works.





“ The key to our success working with Stora Enso was our close collaboration in co-designing each program. I worked closely with one of their top leaders to identify the areas to focus on and what was the most appropriate design to deliver our customized learning solutions. We constantly adapted, adjusted and expanded our programs to touch different parts of the organization.

Albrecht Enders

Professor of Strategy

IMD



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Your journey

IMD can partner with you at every step

Are you looking to develop the individual capabilities of your people in areas critical for growth? Or are you considering a deeper organizational transformation, where you question the very purpose of your business?

Whatever your aspirations and needs may be, we can develop fully customized programs for you that reflect the opportunities and challenges of your organization.

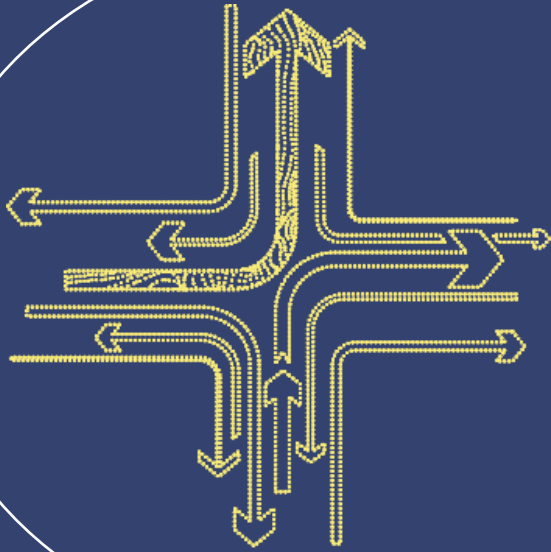
Working closely with our world-class faculty from day one, you will design together learning solutions that meet your unique objectives and deliver the highest impact.

Context

You gain a clear understanding of the objectives you want to achieve as an organization.

You develop new insights on your business as we challenge your assumptions, reframe your perspectives and uncover new growth areas and blindspots. Together, we define what success should look like as we co-design your learning journey.





Transformation

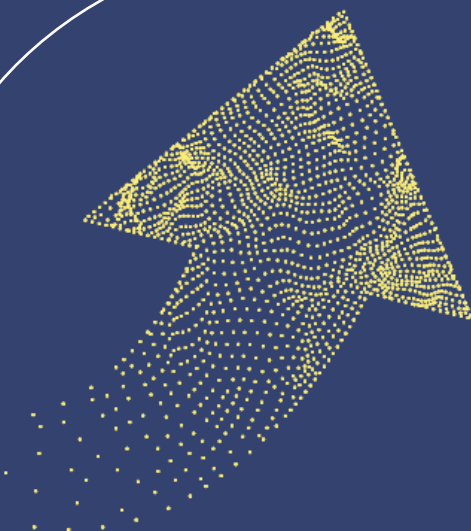
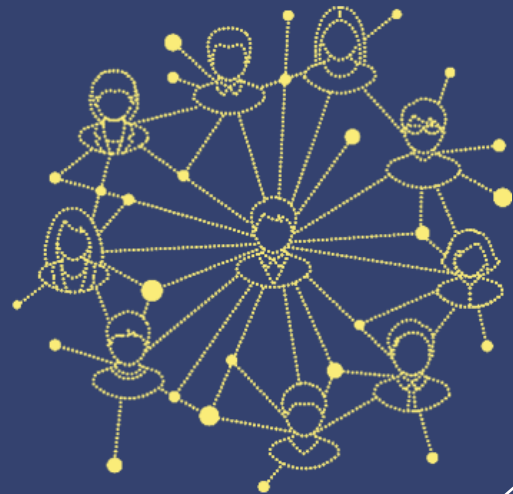
You build the case for change and a detailed action plan associated with key areas of choice.

You explore and identify alternative directions in which leaders could take the business, and specific areas of choice moving forward. You build an aligned view of what it will take to be successful in the future and reshape your organization's strategic, organizational and leadership agenda accordingly.

Capabilities

You develop the capabilities of your people in areas critical to your future success.

You empower your people to realize your organization's ambition by developing their capabilities in areas such as strategy, innovation, leadership and change management. The top team cannot succeed alone. You energize and align your people around a shared commitment moving forward.



Impact

You create lasting impact as your organization sets out to lead and drive change.

What you learned and created at IMD becomes ingrained deep into your organization. You embed new ways of working and foster an agile organizational culture ready to embrace the future. We allocate time, resources and processes to facilitate and track your implementation progress.



IMD is ranked **1st**
in open programs worldwide
Financial Times 2012– 2016.



The IMD Difference

IMD is a top-ranked business school.
We are the experts in developing global leaders
through high-impact executive education.

Why IMD ?

- » We are 100% focused on real-world executive development
- » We offer Swiss excellence with a global perspective
- » We have a flexible, customized and effective approach

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