



A Corporate Case Study from Management Centre Europe

**SCA Tissue Europe (Consumer Tissue Segment):
Strategic Alignment And Defining The
Right Sales Competences To Execute
The New Strategy**

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SCA is a global consumer goods and paper company that develops, produces and markets personal care products, tissue, packaging, publication papers and solid-wood products.

- It is Europe's largest and the world's third largest supplier of consumer tissue. The consumer tissue segment consists of toilet paper, kitchen rolls, facial tissue, handkerchiefs and napkins sold to retailers.
- SCA has remained in the Innovest top 100 most sustainable companies since the ranking began five years ago (by the business magazine Corporate Knights utilising research from the social investment firm Innovest) and named one of the world's most ethical companies by the Ethisphere Institute, USA, for two years in a row – 2008 and 2009.



Strategic Alignment

In 2007 SCA Tissue Europe went through a significant reorganization (including the then recent acquisition of Procter & Gamble's Consumer Tissue Europe), and was now ready to implement a new 'Go To Market' strategy to become the 'Undisputed Category Leader', that is, the market leader in each market segment in which it operated.

Bernhard Riede, Vice President Consumer Tissue Sales & Marketing, SCA Tissue Europe, wanted to anchor the new strategy as quickly as possible with his sales and marketing team.

How did MCE and SCA Tissue Europe Work Together?

Eric Plu, HR Director, Consumer Tissue Europe and Bernhard Riede decided to bring in external expertise to help to achieve this alignment, which is where the relationship with MCE began. The MCE Associate who was chosen to work on this project had a track record which included 20 years' corporate experience with international companies, and specialized in strategic management (new product development, marketing, new business development and sales). SCA - together with MCE - decided that the best way forward would be to hold a workshop with the European sales and marketing management team to look at strategic alignment in more detail.

The workshop took place in September 2007, and was also facilitated by an MCE Associate with specific HR/

talent management expertise who had previous experience developing and implementing competency frameworks in companies globally.

The workshop used an open discussion format and looked at what worked and what didn't work at SCA Tissue Europe, and what could be done to strengthen alignment within the new sales and marketing strategy, and how to cascade this down to the rest of the consumer tissue segment.

Results and Benefits of the Strategic Alignment Workshop for SCA Tissue Europe

The sales and marketing management team worked with MCE to align their activities to the new strategy. They also looked at how to drive the required alignment deeper into the organization.

There were three parts to the alignment, which would be cascaded to the rest of the consumer tissue organization. The sales and marketing management team would:

For strategic alignment:

- explain the link between the long-term vision and the strategy to the teams, in clear terms that each team member could relate to
- communicate the customer value proposition very clearly, and ensure that this was understood
- track first successes and communicate them to the organization in order to reinforce the new strategy

For people alignment:

- assess the current level of competences required to execute the new strategy, develop existing talent and recruit new talent
- harmonize performance metrics and reward systems and adapt these to the new strategy
- align the company cultures between the different divisions of the group

For process alignment:

- continue to improve existing processes
- ensure that the cross-functional processes, systems, structures and infrastructures in the company helped people to implement the new strategy
- increase the speed of new process development
- check processes against objectives and identified required changes



“The workshop was a good first step for the team and helped embed our new Consumer Tissue Strategy. It supported us by clarifying the impact of the new strategy on different areas and provided us concrete actions for the way forward.”

Bernhard Riede, Vice President Consumer Tissue Sales & Marketing, SCA Tissue Europe.

Defining the Right Sales Competences To Execute the Strategy

Bernhard Riede also wanted to be sure that his sales team were focusing on the right competences to execute the new strategy. With this in mind, SCA decided to work with MCE once again. The MCE team who supported the strategic alignment workshop was asked to also get involved in the competency development project. The objective was to identify which competences were required to execute the strategy and to close any existing competency gaps.

How Did MCE Work With SCA Tissue Europe?

To understand the situation better, MCE did a detailed analysis of company documents and of the results of a recent SCA

competency project. Based on this analysis, MCE then created a proposal of key roles, differentiating competences and future culture that would be needed to execute the strategy.

The next step involved SCA creating a project team (Eric Plu and one representative from each of the five European regions for the consumer tissue business segment) and a steering committee (Bernhard Riede and his leadership team) which would validate all key steps. The project team then discussed and worked on the project's objectives, key concepts, expectations of team members, and a project plan. This team also validated MCE's proposal and agreed on success metrics. Each project team member then went back to her/his region and ran regional workshops for further input.

The project team then got together to consolidate the regional results and presented the results to the steering committee. MCE drafted a proposal on what was required to close any identified competency gaps. The project team then met again to validate and finalize MCE's proposal, before presenting it to the steering committee.

Results and Benefits for SCA Tissue Europe

As a result of this project, SCA Tissue Europe identified - with the help of MCE - critical key roles, differentiating competences (representing the critical areas where SCA Tissue Europe had to focus in order to align employee competences with the

business strategy) and future culture needed to execute the new strategy.

SCA Consumer Tissue Europe then started the roll-out. The first phase of this roll-out included communication to all employees and an assessment of the existing competency gaps. This led to a clear view not only on existing gaps, but on those that were critically to execute the new strategy.

The second phase, with the support of MCE, will define, design and roll out development activities to the employees for whom gaps were identified. As these competences are key ones to deliver SCA Consumer Tissue Europe strategy, they will be integrated in the normal development process of each employee.



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"MCE identified that a link was needed between the business strategy, the desired culture and the differentiating competencies – all three elements were what made the alignment successful. MCE really supported us in order to achieve this desired end result for the consumer tissue business."
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Eric Plu, HR Director, Consumer Tissue Europe.

SCA Tissue Europe – the Leading Supplier of Tissue in Europe!

SCA Tissue Europe is the leading supplier of tissue in Europe. Headquartered in Munich, Germany, the group's product range includes toilet paper, hand and kitchen towels, napkins and handkerchiefs. Its products can be found almost everywhere - in most homes, hotels, restaurants, industrial and commercial workplaces as well as public institutions. SCA Tissue Europe's customers span from large international retail chains to industry, services and trade.

Amongst well-known brands are Tork, Tempo, Zewa, Velvet and Edet and a wide supply of retail brands positioned well in the European home markets.

As a business group within the Swedish SCA Group, SCA Tissue Europe employs approximately 8,600 people and generated a turnover of approximately 2.7 billion euros in 2008.

Further information: www.sca.com

