



Human resources

What people can do

The strategic vision of human resource management is the creation of a culture and atmosphere that enable us to motivate every employee to develop his or her skills and competence for top performance. The aim is to retain the best as well as to attract new talent. With a vision of being the leading company in the field, Stora Enso has to perform better than the best.

The main challenge for human resources will be to align priorities and key areas for future development. Five new task forces have been appointed to develop the basis for a new HR-strategy: ability to change, compensation and remuneration, attitude and culture, competence and leadership.

Strengthening the coherence between business operations and human resources is also one of the targets. By systematic analysis of all the input obtained through customer and employee surveys, management development, new steering groups and more than 125 Total Quality Management (TQM) self-assessments we will enhance understanding and ensure that we are addressing the right issues.

Stora Enso's evaluation tool, the Excellence 2005 programme, TQM, has reached a phase where it provides a strategic approach to business development. The challenge is to develop a true link between the results of self-assessment and future action involving all parties.

Metrics are important and surveys will continue to be carried out and developed. In order to provide stronger support to the business units, focus will, however, shift from internal to operational issues and from measurement to action.

Striving for top performance

Enhancing the overall competence level is an area in which Stora Enso differentiates itself from its competitors. Creating common guidelines for local units in their practical development work, sharing best practice and addressing job mobility are some of the means used in this. Increasing competence and skill among employees is recognised as correlating strongly with job-motivation and commitment.

A management audit programme is being developed to facilitate the management of top talents within the Company. The objective is to pinpoint existing talent, obtain a broad understanding of potentials and achievements as well as identify the gap for the recruitment of new talent. One of the challenges is to attract new students to enrol in forestry-related programmes in order to secure the future recruitment base. Stora Enso is working actively to enhance the image and knowledge of the industry among high school and university students as well as among local communities.

The practical leadership-training programme emphasising top leadership and role modelling will be finalised during 2002. Communicating and anchoring visions, missions and values among different inter-cultural groups to maximise success will, however, continue.

Stora Enso has a performance-based bonus system for its employees based on Company profits and the achievement of key business targets. For managerial and specialist staff an option/synthetic option programme is in place. The incentive programmes are described on page 35 and in Financials 2001 under Note 23.

Key figures	2000	2001
Average number of employees	41 785	44 275
Sales / employee, EUR	311 524	305 112
Personnel turnover, %*	3.2	3.1
Training days / employee	4.1	3.9

*Based on number of outgoing permanent employees who have left the Company voluntarily

Average number of employees	2000	2001	%
● Finland	15 088	15 054	34.0
● Sweden	10 856	9 433	21.3
● Germany	4 723	4 767	10.8
● USA	2 197	6 071	13.7
● France	1 356	1 368	3.1
● Austria	1 078	1 127	2.5
○ Netherlands	831	801	1.8
● China	801	852	1.9
● UK	783	704	1.6
● Canada	736	746	1.7
● Belgium	690	694	1.6
● Other countries	2 646	2 658	6.0
Total, average	41 785	44 275	100.0
Total, year-end	44 624	42 932	

