



# It's an **evolution** not a revolution

*Stora Enso wants to achieve operational excellence, together with superior performance and image in terms of sustainability and social responsibility. The company is committed to achieving this through a competent, learning organisation.*

Stora Enso employs some 42 500 employees in more than 40 countries. Being such a large employer brings large responsibilities, but it is also an opportunity.

Human resource management is a key contributor to the Group's ambition of becoming the leading forest industry company – and is based on a

strong belief that it is people that make the difference ultimately in relation to competitors. Stora Enso's long-term success is therefore based on 'What People Can Do'.

Stora Enso's vision of human resource management is to create an organisational culture capable of attracting, developing, and keeping

the best people and motivating all employees to give their best. Achieving this means focusing on performance culture, competence development, and recruiting and retaining top talent.

Employee well-being, motivation, and pride in one's work underpin Stora Enso's Human Resources strate-

gy. The Group's continuous improvement can only be based on all employees knowing where Stora Enso is going, what is expected of them as employees, and how everyone can contribute to the best of their abilities.

### Performance

Stora Enso's total quality management approach, Excellence 2005, in combination with the Group's productivity programme, is a fundamental tool for operational excellence. Using this model, all units strive to improve their operations, competitiveness, and financial results, employing systematic analysis, benchmarking, and best practices to transfer knowledge both within the Group and from outside the Group.

With a strong emphasis on people, teamwork, empowerment, and knowledge management capabilities, Stora Enso aims to create the right prerequisites for excellence in all parts of its operations.

### One step ahead of the competition

Competence and skills are acknowledged strengths at Stora Enso. Retaining this strength calls for sys-

tematic, long-term competence development. The goals for 2003 in this area include competence planning and developing job mobility.

An appropriate recruitment and retention strategy, together with a strong corporate brand, are also essential to ensuring that top talent stays within the Group.

### Management by facts

Stora Enso has a tradition of seeking out its employees' opinions and using this knowledge as the basis for improving its organisation and activities. This has been especially essential when following up the development of the Group's corporate culture, based on the Stora Enso mission, vision, and values.

Stora Enso has organised five Value and Attitude Surveys to date, coordinated by Corporate Human Resources and TQM, and targeted at key managers. The most recent was organised in December 2002. The focus in these surveys has been on personal and organisational values, management practice development, and respondents' suggestions for improvements. The results have led to

improvements in divisional and corporate management.

Corporate staff and service units have run three internal customer satisfaction surveys, the latest in October 2002, to generate feedback on their services and functions. The results indicate that many corporate units have improved their performance according to their customers.

Personnel satisfaction surveys are used to evaluate employees' opinions on the Stora Enso organisation, values, management and leadership practices, communications and information flow, job satisfaction, employer image, and quality issues. Organised at regular intervals by Stora Enso units, the results of these surveys are utilised in the self-assessment work arranged as part of Stora Enso Excellence 2005.

A new Web-based survey system was established in 2002 in cooperation with a consultant company, covering both corporate and unit surveys. The database enables trends to be monitored, comparisons to be made between different units, and benchmarking with comparable external data. ■

## Human Resources indicators

Key figures	2000	2001	2002
Average number of employees	41 785	44 275	43 853
Sales/employee, EUR	311 524	305 112	291 488
Personnel turnover, %*	3.2	3.1	2.8
Training days / employee	4.1	3.9	4.9

\*Based on number of outgoing permanent employees who have left Stora Enso voluntarily.

Employee distribution by country	2000	2001	2002	%
Finland	15 088	15 054	14 676	33
Sweden	10 856	9 433	9 187	21
USA	2 197	6 071	5 731	13
Germany	4 723	4 767	4 761	11
France	1 356	1 368	1 333	3
Austria	1 078	1 127	1 189	3
Netherlands	831	801	858	2
Canada	736	746	850	2
China	801	852	816	2
Belgium	690	694	645	1
UK	783	704	602	1
Russia	474	527	581	1
Other countries	2 172	2 131	2 624	6
Total, average	41 785	44 275	43 853	100
Total, year-end	44 624	42 932	42 461	

### Education structure

Basic education	27.6%
High school/Vocational certificate	48%
College level	12.1%
Bachelor's degree/Polytechnic degree	7.3%
Master's degree	4.7%
Licentiate/Doctorate	0.3%