## Tetra Pak partners with TwentyEighty Strategy Execution to deliver transformation in business performance

Despite its position as the world leader in food packaging and processing, Tetra Pak faces increasing competition and greater customer demand for more complex and global products and services. In 2001, the company launched a strategy to make project management more efficient. Today, Tetra Pak, in partnership with TwentyEighty Strategy Execution, has developed a comprehensive project management programme that is one of the main enablers of the organisation's business transformation in revenue generation, profit and customer satisfaction capabilities.

#### **CHALLENGES**



Increased competition, cost and margin pressures



Complex new line of business



Globalised customer demands

#### **SOLUTIONS**



Extensive training programme



Consistency



Governance

#### **BENEFITS**



Improved customer satisfaction



Business operations transformation



Talent transformation



Innovative project culture

#### **RESULTS**

"The PM work that Tetra Pak has done with TwentyEighty Strategy Execution has had a significant impact on the bottom line by increasing profitability in capital projects. Time to market for new products and errors have been cut dramatically. We've also seen a huge improvement in our internal development projects, increasing efficiency and cutting implementation time. And it's driven up customer satisfaction by almost 50 percent. These are significant and impressive results, especially for an organisation with such a global scope."

Matts Larsson Director, Global Training and Development Tetra Pak

#### **Client Profile:**

Name: Tetra Pak

HQ Location: Lausanne,

Switzerland

Employee Size: 23,000 worldwide

Industry: Manufacturing Activity: Food packaging and

processing

#### **Client Overview:**

Tetra Pak is the world's leading food processing and packaging company, specializing in complete solutions for the processing, packaging and distribution of food products. The company applies a strong environmental ethic throughout its products and operations, seeking to minimising raw material consumption, energy use and making products that can be recycled. It undertakes a large number of projects to fulfill business obligations and meet strategic objectives annually.



#### Challenges

Over the last few years, demands on Tetra Pak's business operations have changed significantly in terms of growing and developing the company into the world's leader in food packaging. To meet new requirements and expectations from customers, Tetra Pak has also developed a new line of business in equipment manufacturing and services.

Tetra Pak needs to be able to meet increasing competition and cost pressures and have an organisation that is flexible and capable of delivering products and services in a consistent, high-quality way, anywhere in the world. The company's strategic focus is on delivering innovation and quality in its products and services, and ensuring that operations are managed quickly and in a disciplined way. This necessitated a radical change in how internal and external projects were managed.

"Now the business environment is much more complex and challenging and where you can really start to deliver business differentiation is in the softer, more intangible skills, in particular good governance."

Matts Larsson Director, Global Training and Development Tetra Pak

#### Solution

In 2001, Tetra Pak partnered with TwentyEighty Strategy Execution to develop a programme that delivered core project management (PM) skills to senior project leaders. What began as advanced PM training is now a standard part of the training curriculum in the company. But such is the importance of PM to Tetra Pak's global operations that over the next decade, the initiative has evolved into one of the most advanced project and business transformation programmes in the world.

#### Extensive training programme

The next phase of the journey in recent years has seen the two organisations develop extensive PM training and skills assessment techniques. The PM training portfolio is comprehensive and inclusive. The entire project community in Tetra Pak is involved, starting from project members and managers, senior and experienced managers, through to specialty training for key staff focused on governance and risk management. There is also a bespoke executive PM programme for developing specialised skills, such as managing project complexity and performance.



#### Consistency

As well as an increasing number of projects that are larger and more complex, one of the biggest challenges for Tetra Pak is globalisation. Today, projects in Tetra Pak are rarely in one place. Customer demands and worldwide operations have led Tetra Pak to develop virtual teams delivering 24/7 projects where leaders may never meet some of their team members face-to-face. The ability to provide and implement training worldwide in a consistent and standardised way is key to driving world class project capabilities for Tetra Pak. Much of the training content has also been specially created by TwentyEighty Strategy Execution and Tetra Pak to make it company and industry specific. TwentyEighty Strategy Execution is responsible for delivering the training portfolio worldwide, through a blend of e-learning for basic elements and classroom training for more complex themes.

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#### Governance

One of the most significant developments—and an indication of how important Tetra Pak regards PM—is a governance board. It directs and monitors PM development across the whole business and, significantly, is headed up by an Executive Vice President who reports directly to the CEO. As Larsson emphasises, "Governance is at the epicentre of it all. If you don't drive and control PM in the right way and you don't have complete business involvement, then it won't fly."

#### **Benefits**

While many organisations seek to achieve first-class PM training, this is now a secondary objective at Tetra Pak. The critical focus—and the reason why it has become so effective—is on business performance improvement. At Tetra Pak, the PM programme is having a significant and measurable impact on revenue generation, profitability and, perhaps most importantly, on customer satisfaction.



#### **Business operations transformation**

In its capital equipment business, Tetra Pak now has comprehensive business and operational guidelines that start even before the quotation process. The project begins at first contact and does not end until the product or service and value is delivered to the customer. Even then there is a process in place to manage and govern continued customer engagement throughout the project lifecycle.

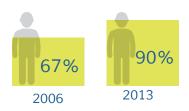
#### **Talent transformation**

For staff, the project management training initiative is regarded as an important aspect of career development. It broadens the scope of individual development beyond just leadership promotion and has strengthened a sense of pride among Tetra Pak's staff. Employees at industry conferences on hearing about new trends and practices often say "we already do that at Tetra Pak."

#### Innovative project culture

To date, Tetra Pak has trained over 2,000 staff including 250 Project Management Professional certified managers and Project Governance participants. One of the more innovative areas that Tetra Pak and ESI are currently exploring is collaborative learning. This form of advanced learning—with solutions from ESI's Skillsharks collaborative learning programme—will enable Tetra Pak project managers to cultivate an innovative project culture through the use of social media mechanisms to interact with peers and experts and share knowledge within a secure, globalised platform.

#### **Customer Satisfaction**



Results benchmarked against an industry best practice level of 70% according to an independent survey of Tetra Pak customers carried out by Walker, a customer intelligence consulting firm.



#### A Transformational Journey

The PM journey at Tetra Pak is an on-going and evolving strategy. Larsson says, "We're now looking at developing more soft skills, such as communication, conflict management and working in a virtual environment. But at the same time, we're looking to simplify what we do. There is a risk that you become rigid in applying best practices, so it's about more agility and doing things in a smarter way and building in the capability to adapt as the organisation and business environment we operate in changes."

"Agility is not just down to better projects - we've also done a lot of work to improve business process—but the vehicle for driving better processes is good PM."

Matts Larsson Director, Global Training and Development Tetra Pak

#### **GLOBAL HEADQUARTERS**

901 North Glebe Road Suite 200 Arlington, VA 22203, USA +1 888.374.8884

#### **EMEA**

7 Bishopsgate London, EC2N 3AR, UK +44 (0)20.3743.2910

#### APAC

111 Somerset Road #10-06 TripleOne Somerset Singapore 238164 +65 3158.9500

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