

Vattenfall Energizes the Business with New Strategy Rollout

The company

As one of Europe’s largest generators of electricity, Vattenfall operates a commercial energy business focused on being a leader in developing environmentally sustainable energy production. Vattenfall produces electricity and heat from six energy sources, giving the company a flexible and well-diversified business. With three main products – electricity, heat, and gas – the company has three main markets: the Nordic countries, Germany, and the Netherlands.

The challenge

Vattenfall faced multiple challenges: slow growth in the energy industry, plus increasing and changing demands of its stakeholders. In addition to changes in user needs and consumption, shifting regulations across Europe have directly affected the profitability of many energy sources through subsidies, energy taxes, and tariffs.

Vattenfall knew it needed to evolve its strategy and start thinking differently about immediate changes and longer-term shifts. The company was certain it needed to focus on sustainability in the way it produced energy and in its offerings to customers in order to remain a competitive force. Vattenfall’s leaders also knew that they needed everyone in the business to understand the shift that was happening, given these enormous changes in consumption, regulation, and technology.

The company chose Root to help tell its story to employees so everyone could understand how their industry and their company was changing.

The solution

Root began the solution development process with a series of discovery conversations with key Vattenfall representatives from the communications, strategy, operations, and human resources teams. These meetings focused on the key messages for employees and achieved clarity across functions on what it was they wanted their employees to know and understand about the company’s journey.

With this information, Root developed an initial version of a Strategic Learning Map® module for Vattenfall. Strategic Learning Map® modules are designed to help convey large amounts of information to employees, so that they may make an emotional and intellectual connection to the complex story of the change at hand. Strategic Learning Map® modules can be deployed to thousands of people in a streamlined manner without experienced trainers. The process is an efficient and highly effective way to get large amounts of information to people across the business in a cascaded approach.



“I was positively surprised to see how the ‘Vattenfall Journey’ tool drove discussion in my management team. I was honestly somewhat apprehensive that the exercise would be received as oversimplified, but the format and questions obviously have been crafted to trigger reflection and discussion among a team of highly qualified executives. As we cascaded the exercise in our organization, I perceived that several teams had similarly good discussions.”

— Karl Bergman,
Vice President,
R&D Projects





Following focus groups with the working prototype, Root worked closely with Vattenfall’s senior leaders to specify what the message should be and how the company would articulate its plans. Together, Root and Vattenfall arrived at a final solution for the Strategic Learning Map® module that centered on the three key pillars of the company strategy:

- **Sustainable Financial Performance** – The company wanted to help its people understand the reality of the work that needed to be done to transform the business and how this impacted finances and profitability.
- **Sustainable Production and Distribution** – Vattenfall needed to illustrate the importance of operational excellence and the evolution of how the company produces and distributes its products.
- **Sustainable Energy Consumption** – In order to help customers use energy more intelligently, the company wanted to help employees understand their role in educating customers.

Ensuring that employees understand the three pillars and how their roles contribute to successful outcomes was essential to the company.

Once the Strategic Learning Map® – named “Vattenfall Journey” – was complete, the company rolled it out into the organization over a period of several months. Through icons, infographics, drawings, conceptual illustrations, and metaphors, the Strategic Learning Map® module told the Vattenfall story visually.

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“Vattenfall Journey” conveyed a holistic picture on the market changes, its requirements, and the strategic implications for Vattenfall. It generated a dialogue between the participants and triggered a common understanding of the strategic challenges and the “bigger picture” in the perspective of a changing energy landscape.

Results

“Despite some initial skepticism before using the tool, the feedback was really positive, as it enabled an interactive session,” said Felicitas von Kyaw, Vice President, Organisational Development & Change at Group HR. “Overall, it has been a well-appreciated tool to create understanding for the complex market changes and challenges we are facing as a company in the different areas of our business.”

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About Root

Root is a strategy execution company that helps organizations engage people as a catalyst for change using a proven framework that consistently achieves clarity, ownership, and results.

