

What Happened?

- Substantial changes to HR Policy
- Finnish culture strongly applied
- Work structure changed to self-directed teams
- Performance appraisals eliminated
- More focus on employee needs
- Flat organization structure remained
- Narrower salary ranges were not entirely adopted by Trelin
- Unlimited sick time

Keep in Mind

To ensure Trelin Paper Plant's success in the U.S. market, Trelin must understand the differences in the two countries' cultures. Trelin must also understand the differences in the two countries' labor laws. It will not be an easy transition, but it is necessary for Trelin's success in the U.S. market.

Moving Forward

- Large changes should be operated progressively
- Key Component: Informing managers about role change and limitation of power
- Mid-Way Solutions regarding compensation
- Task Force Exchange
- Unlimited sick time
- Communication tools

Thecasesolutions.com

Trelin Perspective

Trelin Fear and Background

- Talvonen will impose own managerial systems and Finnish culture
- Efficiency rates about 2% below industry standards (trelin never machines)

Trelin HR Policy

- Pay and bonuses based on performance appraisals
- Emphasis on plant production
- Flat organization style
- Bottom Line: Want Independent decision-making based primarily on budget

Thecasesolutions.com



Case Summary Toivonen Paper

Marja Kempainen
Senior VP of HR

Thecasesolutions.com

Case Summary Trelin Paper Plant

Jim Newman
Plant Manager

Scott Williams
Plant HR Manager

Thecasesolutions.com

Potential Problems Resulting from Different HR Policies

- Long-Term Employee Benefits vs. Budget and Production Emphasis
- Centralized Compensation vs. Performance Appraisal Compensation
- Employee Career Advancement vs. Stagnant Employee Positional Movement
- Complex Organization vs. Flat Organization
- Corporate Structure vs. Need for Independent Decision-Making

VS.

Toivonen Paper in the U.S.: Human Resource Implications of Foreign Corporate Ownership

Thecasesolutions.com

What Happened?

- Substantial changes to HR Policy
- Finnish culture strongly applied
- Work structure changed to self-directed teams
- Performance appraisals eliminated
- More focus on employee needs
- Flat organization structure remained
- Narrower salary ranges were not entirely adopted by Treelin
- Unlimited sick time

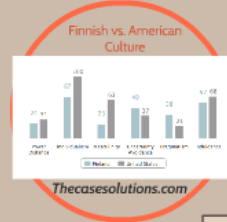
Needs to Mind

- The supervisory policy and practice often drive the result (efficiency)
- Small progressive changes to longer implementation cycles
- Communicating and managing, understanding long process, it will not be a one-way transition
- Establish clear link between each approach

Moving Forward

- Large changes should be operated progressively
- Key Component: Informing managers about role change and limitation of power
- Mid-Way Solutions regarding compensation
- Task Force Exchange
- Unlimited sick time
- Communication tools

Thecasesolutions.com



Treelin Perspective

Treelin Fear and Background:

- Toivonen will impose own managerial systems and Finnish culture
- Efficiency rates about 3% below industry standards (need newer machines)

Treelin HR Policy:

- Pay and bonuses based on performance appraisals
- Emphasis on plant production
- Flat organization style
- Bottom Line: Want independent decision making based primarily on budget

Thecasesolutions.com

Case Summary Toivonen Paper

Marja Kemppainen
Senior VP of HR

Thecasesolutions.com

Case Summary Treelin Paper Plant

Jim Newman
Plant Manager

Scott Williams
Plant HR Manager

Thecasesolutions.com

Potential Problems Resulting from Different HR Policies

- Long-Term Employee Benefits vs. Budget and Production Emphasis
- Centralized Compensation vs. Performance Appraisal Compensation
- Employee Career Advancement vs. Stagnant Employee Positional Movement
- Complex Organization vs. Flat Organization
- Corporate Structure vs. Need for Independent Decision-Making

VS.

Toivonen Paper in the U.S.: Human Resource Implications of Foreign Corporate Ownership

Case Summary

Treelin Paper Plant



Jim Newman
Plant Manager



Thecasesolutions.com



Scott Williams
Plant HR Manager

Case Summary

Toivonen Paper



Marja Kempainen
Senior VP of HR

Thecasesolutions.com

- Toivonen Overview**
- Fortune's Global 500 organization
 - Core Products: Publication and fine p
 - Global profitability increasing, but pe
- Toivonen HR Policy**
- Employee Philosophy:
 - Long-Term Employment relationships
 - online training programs
 - Employees Assistant Programs
 - unlimited sick time
 - work group hiring
 - empowerment/self-directed
 - communication tools,
 - centralized compensation and no perfor
- Finnish Culture:** Group-level outcomes, avoid u

Thecasesolutions.com

Toivonen Overview

- Fortune's Global 500 organization
- Core Products: Publication and fine paper, packaging board and wood products
- Global profitability increasing, but performance is inconsistent

Toivonen HR Policy

- Employee Philosophy:
 - Long-Term Employment relationships
 - online training programs
 - Employees Assistant Programs
 - unlimited sick time
 - work group hiring
 - empowerment/self-directed
 - communication tools,
 - centralized compensation and no performance appraisals



Finnish Culture: Group-level outcomes, avoid uncertainties, and caring for people in society

Treelin Perspective



Treelin Fear and Background:

- Toivonen will impose own managerial systems and Finnish culture
- Efficiency rates about 3% below industry standards (need newer machines)

Treelin HR Policy

- Pay and bonuses based on performance appraisals
- Emphasis on plant production
- Flat organization style
- Bottom Line: Want Independent decision-making based primarily on budget

Thecasesolutions.com

 Toivonen	Treelin 
<ul style="list-style-type: none">• Long-Term Employment relationships• online training programs• Employees Assistant Programs• unlimited sick time• work group hiring• empowerment/self-directed• communication tools.	<ul style="list-style-type: none">• Pay and bonuses based on performance appraisals• Emphasis on plant production• Flat organization style• Want Independent decision-making based primarily on budget



Toivonen

- *Long-Term Employment relationships*
- *online training programs*
- *Employees Assistant Programs*
- *unlimited sick time*
- *work group hiring*
- *empowerment/self-directed*
- *communication tools,*
- *centralized compensation and no performance appraisals*

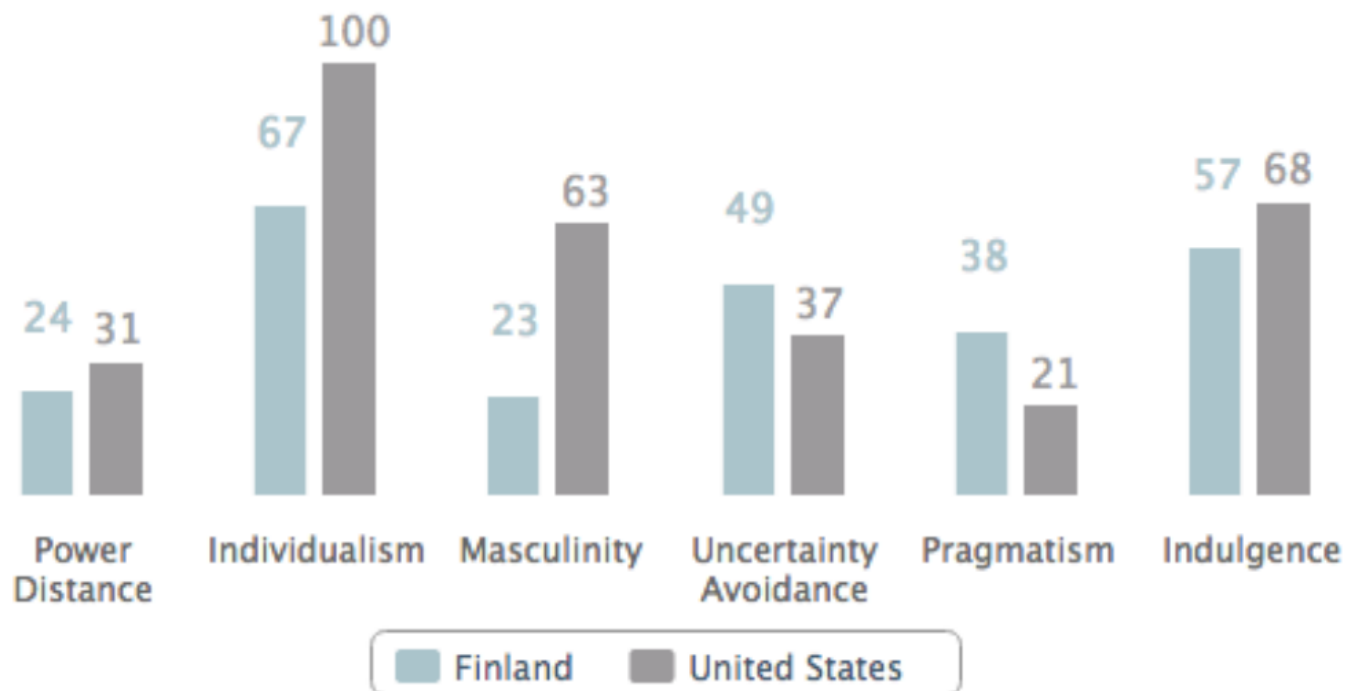


Treelin

- *Pay and bonuses based on performance appraisals*
- *Emphasis on plant production*
- *Flat organization style*
- *Want Independent decision-making based primarily on budget*

Thecasesolutions.com

Finnish vs. American Culture



Thecasesolutions.com

Moving Forward

- *Large changes should be operated progressively*
- *Key Component: informing managers about role change and limitation of power*
- *Mid-Way Solutions regarding compensation*
- *Task Force Exchange*
- *Unlimited sick time*
- *Communication tools*



Thecasesolutions.com

em often

foreign

culture is a

sy

th



The Problem
Should Toivonen disperse its organizational culture and HR policy to the Treelin Plant?