PASSION FOR LEADERSHIP: THE ROXTEC CASE

CASE STUDY
A case study by Dr. Kim Møller
Roxtec is a Swedish multinational company based in Karlskrona, Sweden. The company was founded in 1990 after the invention of Multidiameter™, an adaptable sealing solution for cables and pipes of different sizes.

Roxtec specialises in developing and manufacturing cable pipes and seals and providing flexible sealing solutions. In line with their core products and services, Roxtec’s vision is “We Seal Your World™”. In addition to providing adaptable solutions, Roxtec’s certified sealing solutions are also used to ensure the safety, efficiency and operational reliability of projects around the world. As their mission of “Protecting life and assets” communicates, Roxtec seals protect lives and assets from risks including fire, gas, water, electromagnetic interference, and explosions.

With motivated and entrepreneurial staff, Roxtec can be described as a market creating company. Roxtec is continuously creating space in the market for their products and services. Over the last 20 years, Roxtec has been able to succeed through adapting to the demands of their customers while furthering the reach of their sealing solutions across the globe and across industries. Today, the firm employs more than 700 people located in 24 subsidiaries around the world, with sales in over 70 markets.
CHALLENGE

Roxtec has grown steadily since its founding and from the outside, it appeared that they were doing well. In 2010, Roxtec made an acquisition that added more services to their profile and the company began to move from their previous focus of selling products to offering cable solutions. Roxtec’s strategy has always been to grow but after the acquisition and the widening of their services, the executive management team began to think bigger. As they broadened their services, their strategy also grew and their ambitions became even larger.

In 2011, the executive management team at Roxtec launched their new strategy for the organisation. There were four objectives behind the new strategy including the desire to create a platform for profitable growth, to become a sealing solution provider, to run efficient business operations, and to reach sales exceeding 2 billion Swedish krona by 2015.

From the outside, Roxtec was doing well. Their continuous growth and expansion into new markets and adding solutions to their portfolio were indications that the company was on the right track. Within the organisation however, there were some challenges that needed to be addressed in order for the new strategy and goals for 2015 to be implemented and carried out as planned.

Prior to 2011, however, Roxtec lacked a global overview of HR related issues. This deficiency in overall direction was rectified with the appointment of Per Mattson at the HR helm. He established worldwide processes that included talent and performance reviews. Even with establishing a global HR department, Roxtec still battled some internal problems that could potentially hinder them in carrying out their new strategy of doubling their revenues by 2015.

The results of an internal survey conducted with managers within the firm found that Roxtec was strong in drive and energy, but weaker in team orientation and social sensitivity. Key problems included:

- Competition in attracting the best talent
- Uneven capabilities in the sales force
- Unrealised employee potential
- High dependence on key individuals
- Weak talent management and leadership development
- High employee turnover in a few geographical areas
- A gap in awareness and respect for safety issues

From their analysis it became apparent that many of these problems were related to a lack of leadership understanding and implementation.
Per Mattson acknowledged that “leadership needs to start with the self” and this notion drew Roxtec to Oxford Leadership (OL) for the solution.

**DISCOVERY**

Even before starting in his role as head of Global HR, Per Mattson noticed a special spirit in the company. “There was a very entrepreneurial spirit but there was no focus on leadership.” Up until 2012, Roxtec had only focused on sales training as part of its growth strategy. Roxtec has several hundred sales people on their team with the aim of selling to the end customer. Therefore, the firm continues to offer sales training to their staff as this builds good business understanding with their managers and sales staff. However, the internal survey revealed that leadership was a key problem that needed to be addressed. In the words of former CEO Carl-Gustav Mattson: “In order to grow, Roxtec needed good leadership.”

If the company was to achieve their ambitious new strategy, Roxtec recognised that they needed to combine their sales management training with leadership development. Roxtec needed to develop their managers and managing directors to develop the rest of the organisation.

**SOLUTION**

The firm wanted to develop a leadership culture and merge it with the entrepreneurial one that had been driving the company forward for many years. Per Mattson acknowledged that “leadership needs to start with the self” and this notion drew Roxtec to Oxford Leadership (OL) for the solution.

With Roxtec’s growth strategy so central to the success of the business, OL’s expertise was the perfect solution for the company’s needs, allowing its Managing Directors and managers to develop into better leaders, whilst at the same time, playing a part in the execution of its wider company strategy. With their strategic ambition in mind, together, OL and Roxtec created a ‘Passion for Leadership’ programme that consisted of four modules.

Before the leadership programme was officially launched, Roxtec’s executive management team undertook the modules as the pilot group following the motto “leaders first” and helping to immerse them in the programme’s philosophy.
Following extremely positive feedback upon completion of the initial four modules by Roxtec’s first group of managers, OL was requested to develop two more modules to sustain and deepen the passion for leadership. These modules focused on coaching sales people and leading change and were added to the Passion for Leadership programme in 2015.

Then CEO, Carl-Gustav Mattson, believed that the programme fit within the open and transparent way that Roxtec manages its subsidiaries and headquarters, stating: “Roxtec manages in a way so that individual employees have freedom and responsibility versus a direct leadership style with strict rules.”

With the endorsement of the programme by Roxtec’s executive management, the programme has been rolled out and over 90 managers across the globe have completed the initial four modules so far with two more groups of managers scheduled to start. All Managing Directors and managers in a management team have been invited to the programme.

**IMPACT**

**For the Managers**

The Passion for Leadership programme was the first specific leadership training that the Managing Directors (MD) in the United Kingdom and Ireland, Graham O’Hare, and in France, Fabrice Sautiere, had taken. For these two MDs, the leadership programme has had a positive impact on themselves personally, and in their everyday work at Roxtec.

Prior to the programme, Graham O’Hare, found it challenging to set the tone and find balance between his work and his personal life. He likened managers’ perception of themselves to office “Supermen”, wanting to “arrive at the office first, leave the latest and think they are indestructible”. Module one helped him recognise that the two were unequivocally interlinked, and provided him with tools to successfully combine them. In his day to day work, Graham O’Hare continues to use the buddy system introduced in the leadership programme. As being an MD and a leader can be an isolated job, Graham finds that speaking with his counterpart in Australia on a monthly basis is a good channel and way for him to talk through issues.

Roxtec manages in a way so that individual employees have freedom and responsibility versus a direct leadership style with strict rules.

Roxtec’s executive management team undertook the modules as the pilot group following the motto “leaders first” and helping to immerse them in the programme’s philosophy.
Fabrice Sautiere, MD for France, faced specific challenges that needed to be overcome prior to taking the leadership programme. He recognised that there was a dual role for sales people and leaders. Even though Fabrice is an MD, he’s still a sales manager, which can often cause conflict. Sales managers want to make things happen fast and provide a solution, but this is not the same for a leader. “A leader aims to empower their team. They need to listen, ask questions, and get the people to think. This is what contributes to a more efficient team.”

The ‘Leading the Self’ module allowed Fabrice to understand this crucial difference. Despite his busy schedule, Fabrice is trying to turn coaching into a daily mind-set. He has implemented more formal structures to incorporate leadership and coaching, as well as maintaining discussions with staff to help support and empower them. He has also observed his fellow MDs become better at coaching and leadership, improving efficiency in their own units and the wider business as a result.

For the Managers

The executive management team and the participants have been very happy with the leadership programme. More importantly, the leadership programme has been instrumental in the financial growth of the company. Between the 2011-2012 fiscal year, when the OL leadership programme began, and the end of the 2013-2014 fiscal year, Roxtec experienced a hugely impressive 33% growth, with 2013-14 demonstrating the greatest annual growth margin in the firm’s history. Between 2011 and 2015, Roxtec’s sales are on course to double, from 1 billion Swedish krona to 2 billion. Roxtec has been very successful in implementing the new strategy they launched in 2011 and the leadership programme has strongly impacted their ability to do so.

When asked what has contributed to Roxtec’s success over the last few years, Carl-Gustav Mattson attributes it to three things: “good people, good product and a good company.” He underlined that the people at Roxtec are engaged, passionate, create interest and catch opportunities. Roxtec has been a very entrepreneurial company and as the company matures and continues to grow in size, Roxtec will increase their focus on management and leadership.

Between the 2011-2012 fiscal year, when the OL leadership programme began, and the end of the 2013-2014 fiscal year, Roxtec experienced a hugely impressive 33% growth, with 2013-14 demonstrating the greatest annual growth margin in the firm’s history.
Over the next few years, Roxtec will continue to put their energy into strategic focus areas, especially specific business areas. Roxtec is also looking to continue expanding their portfolio and products in order to cover even more in terms of their clients’ sealing needs and further the reach of their customer service. When asked about what is next for the company, Carl-Gustav Mattson responded with “aiming for more of the same”. Along the same lines, Per Mattson responded that “from a corporate perspective, the ongoing aim is to grow 15-20% each year”.

Roxtec invested in the Passion for Leadership programme at just the right time and they have developed an enthusiasm for leadership. The contribution from OL has enabled Roxtec to continue with its strategic vision, allowing for expansion and growth, whilst supplying the necessary leadership to keep its team and wider organisation on the right track. The leadership programme will continue for the next two years and now that Roxtec has developed a taste for leadership, they have seen even greater success and not only is their business growing, so are their people.

When asked what has contributed to Roxtec’s success over the last few years, Carl-Gustav Mattson attributes it to three things: “good people, good product and a good company.”

For more information, please contact your local Oxford Leadership representative:

Dr. Kim Møller  
+45 28100834  
kim.moller@oxfordleadership.com

Or visit: www.oxfordleadership.com
About Oxford Leadership™
Oxford Leadership™ is a global leadership consultancy that aligns people, purpose & strategy - driving socially responsible transformation in global organisations. Our international network includes 215 partners, consultants, and coaches in 24 countries throughout Europe, North America, Latin America, Asia, and Africa. We transform leaders, align teams and create fierce resolve and passion to win. Typical interventions are to accelerate performance, execute strategy and embed capability and change. Our programmes are part of the core curriculum in many of our client’s corporate universities, and our leadership development programmes have over 300,000 executive alumni. Methodologies are based on more than 100 corporate turnarounds and performance acceleration assignments in FTSE 100 and Fortune 500 companies.

Austria, Belgium, Brazil, Canada, China, Colombia, Denmark, Finland, France, Germany, Italy, Mexico, Norway, Poland, Portugal, Russia, Serbia, South Africa, Spain, Sweden, The Netherlands, UK, Uruguay, and the USA.

For more information about Oxford Leadership or to get in touch, visit us at: www.oxordleadership.com