

# **HALTON – A Finnish Hidden Champion**

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# Background for Halton's strategic thinking and management

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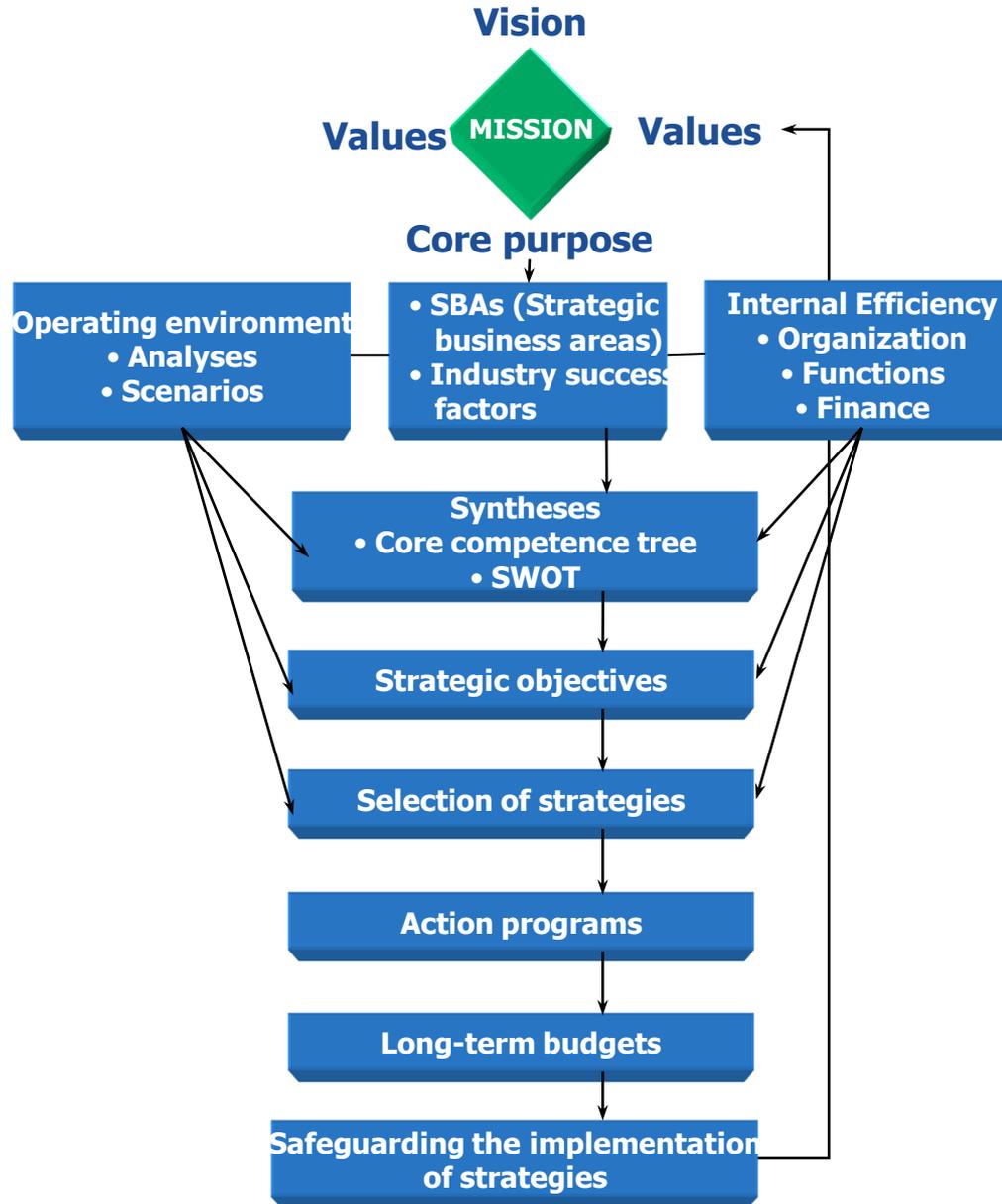
- **Strategy consulting and training in Halton in the year 1990**
- **The assignment from Seppo Halttunen was "Until now we have had in Halton one businessman. In the future we need more businessmen."**

# **In the strategy process there were about fifteen key persons**

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- **Persons were young, talented, eager and very motivated. Not much strategic management experience.**
- **We made systematic strategy process according to the strategic architecture of the company.**
- **The focus was on**
  - **Strategic business areas**
  - **Competitive strategies**

# STRATEGIC ARCHITECTURE



**Since 1990 I have followed with pleasure Halton's success story: It has grown, internationalized and always been profitable.**

**And it has always believed that only such companies can succeed in the long run who create, implement and renew their strategies.**

# **Strategy Guru Herrmann Simon has written two books named "Hidden Champions":**

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## **Hidden Champions**

- **Lesson from 500 of the World's Best Unknown Companies**
  - Harvard Business School Press 1996

## **Hidden champions of the 21<sup>st</sup> century**

- **Success Strategies of Unknown Market Leaders**
  - Springer 2009

## **”Hidden Champions”:**

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**In the book 1996 Herrmann Simon studied only companies from the German speaking countries.**

**In the second book he enlarged his studies to 2000 companies and one third of them are from other countries, especially from Scandinavia and Northern Italy.**

**One Finnish Company: Konecranes**

# Who is a hidden champion?

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- **Number one, two or three in the global market or number one on its continent.**
- **Revenue below USD 4 billion.**
- **Low level of public awareness.**

# The most important success factors

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- **Leadership with ambitious goals**
- **High performance employers**
- **Deep management of the value chain.**  
**“Uniqueness cannot buy from the market.”**
- **Decentralization**
- **Focus**
- **Globalization**
- **Innovation**
- **Closeness to customer**

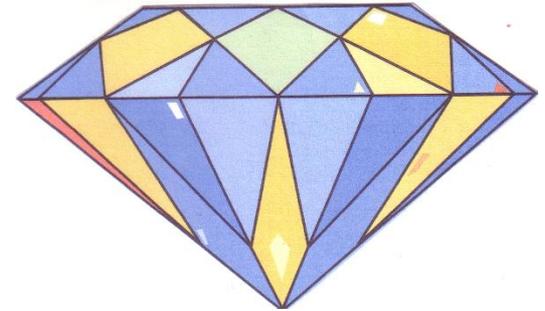
# Halton is a typical Hidden Champion

- **Family company**
- **Persistent: “quartal thinking”; 25 years, not 3 months**
- **Growth oriented**
- **Profitable**
- **Strategy driven**
- **Simon’s eight lessons are valid in Halton**

**I have started my newest book "The Diamond of Success"**

**The diamond corners are**

- Strategy**
- Management**
- Competence**
- Interaction**



**I am going to interview many successful companies, managers and entrepreneurs (also some politicians, sportsmen and artists).**

**I already interviewed Mika Halttunen this spring and Mika has also promised to write a mini case from Halton.**