



Country  
Global business with HQ in Switzerland

Number of locations  
18 petrochemical plants plus 7 engineering and management offices on 4 continents

Number of employees  
1,500

Services included  
 > Scenario analysis  
 > Risk Management  
 > Business Strategy  
 > External challenge and perspective

# Strategy refocus in disruptive times

## Client

The world's second largest producer of methanol and a top-ten player in nitrogen-based fertilizer.

## Challenge

We had previously helped the client define and implement its vision and strategy, as well as its crisis management capability, and we were in the third year of the rollout of that strategy. Given the dynamics of the client's business environment, it was time to re-evaluate the strategic direction, how far we had come, and what the focus should be going forward. Then the Coronavirus crisis hit, disrupting businesses, supply chains, public and personal lives globally, adding further urgency to that need.

Situations like this do not only pose risks, they also provide opportunities; some very unique ones, in fact. While having a clear focus on the short-term, operational recovery of the business, the CEO also set out the ambition to come out stronger on the other side. The crisis situation wasn't something to "just get through"; it was to be used as a catalyst for bold moves, blue sky thinking, and some overdue changes to the business.

## Approach

A small team of the "craziest brains in the business" was formed under the leadership of a Berwicks consultant. We first produced high-level scenarios with one-year and five-year time horizons in order to better understand the forces at play and the potential implications. Based on this, Berwicks dove deeper and developed one-to-five year outlooks for 27 industries, some of which are of high importance to the client's business.

Equipped with those insights, we identified the key risks and opportunities arising from the situation. Following a framework we use to describe any business in its context, we brainstormed ideas that might mitigate those risks and take advantage of those opportunities. The ideas ranged from locking in low resource prices and cementing the use of virtual presence technology across the business to balance sheet restructuring, acquisitions, defining new ways of working, re-evaluating business partnerships and new strands of diversification.

The ideas were discussed and vetted with the CEO and his leadership group. Teams were set up to refine the ideas further, confirm their feasibility and plan their implementation.

## Results

Out of about 60 initial ideas, over 30 were taken forward by the client. Some had an immediate impact on the cost base – critical in a commodity industry coming out of a crisis. Rather than being reactive as "the new normal" unfolds, we enabled the client to be on the front foot, take crucial decisions early, and take bold action within some very short windows of opportunity.