

BEST MANAGED COMPANY, INTERVIEW WITH PETER CERNY

Best Managed Companies is a quality award to recognize the overall success of private Swedish companies based on strategic direction, ability to execute, corporate culture and financial performance.

Best Managed Companies was established in Canada in 1993 and has since then been introduced in more than 20 countries around the world. Sweden's Best Managed Companies was launched during 2018 by Deloitte in cooperation with Nasdaq.

This is the second year of the award. An independent jury has selected the 18 companies which received this year's award. Since 2019 Deloitte together with Nasdaq honours a few Swedish companies the Sweden's Best Managed Companies Award. Each company is analysed very thorough regarding strategic focus, operational structure, company culture and economic development.

We had a chat with Peter Cerny, President and CEO of ESBE, to hear his thoughts on the award.



What was your spontaneous reaction when you found out that ESBE won the award Best Managed Companies 2020?

– I was very happy and proud of everything that the employees at ESBE have achieved. We have now reaped the fruits of the hard work we have put in over the last few years.

Is there anything in particular that you want to highlight that can explain that ESBE received the award?

– The feedback we received from Deloitte is that the company has good processes, acts long-term and chooses to give back to society – the company culture is very important within ESBE. They also mentioned that ESBE's profitability is extremely good while praising our clear financial model. Deloitte's thorough work also showed that we at ESBE are proud of a production that develops well, we understand the importance of innovation and we have dedicated resources for this. Our long-term actions and the clarity of the ownership structure was also criteria that were assessed.

Finally, we were praised of our profit-sharing system and the opportunity as an employee to buy shares in the company. Overall, Deloitte has gone through ESBE in detail and revised a major variety of areas. It is the total assessment of all areas which made us awarded.

In the past, ESBE received the Red Dot Design Award for the diverting valve SLB130 and Circulation unit GRA111. It's about design on a high level. Now you have received an award which shows that ESBE holds a high level of strategic focus, operational structure, company culture and economic development. If you want to highlight a feature of ESBE that you are impressed with – which would it be?

– Then I have to say our strive to always be better in each and every area. Our staff is very much involved in the development of the company since all employees at the factory in Reftele takes part in a profit sharing system. It is also possible to buy shares in the company (employees own 20% of the shares in the company). The long-term perspective of the Skogsfors family means a lot, both for the company and Reftele.

Finally. You have been CEO of ESBE since 2016. If you are going to predict about the future – what do you think is necessary for ESBE to continue to be a market leader?

– I think the most important thing is to constantly strive to be better, to grow and to continue to be a profitable company. The growth and the good profitability give us freedom to invest in market and product development. In order to harvest fruits in the future, we need to continue to do so.

