

Študija primera Marbi / Marbi case study

Marbi Group



Your company is a major tent producer **MARBI** from Maribor, Slovenia. It produces all types of tents for recreational campers and canopies used as overhead shelters for festivals, parties and major corporate events. The market is very competitive and to ensure the better process of expanding outside the borders of Slovenia and entering foreign markets, MARBI has recently made two acquisitions, one friendly and one hostile, of a Croatian and an Italian company, respectively. They are now both subsidiaries of MARBI Group. The Group's working language is English.

The Croatian company **KARLI** with a plant near Karlovac is manufacturing low-priced camping tents and party tents. The friendly acquisition of KARLI prevented the plant from closing down and saved a lot of jobs. The local community feels connected to KARLI and the entire MARBI Group.

The Italian company **NOVA** has a production plant in Novara near Milan and manufactures first-rate elite party tents and canopies for up-market corporate buyers. The consequences of the hostile takeover from MARBI are still present in their daily communications, as they believe that their know-how and years of experience should give them a special position in the Group. They are convinced that their brand name is the cash-cow of the entire Group.

MARBI GROUP is headquartered in Maribor where you also have a production plant for middle-range camping tents and outdoor canopies. Head office in Maribor has serious difficulties cooperating with the Italian management of the company NOVA from Novara. You are meeting today to discuss this matter.

AGENDA

1. Cooperation of subsidiaries in the MARBI Group
2. Effect on the Group
3. Action plan
4. AOB

*The sample situation is fictional and has been written for classroom use.

SAMPLE ROLE CARDS

1 President, MARBI (Maribor)



As the chairperson of the meeting find out why there is lack of cooperation from the Italians from NOVA, Novara and what the consequences for the MARBI Group might be.

Be objective and try to separate the problem from the managers involved. Once you have identified the rationale behind the problem, focus on finding the most appropriate solutions for it.

Your senior managers have been complaining about the self-sufficient approach of the NOVA managers. If the situation cannot be solved otherwise, you are determined to appoint Slovenian and Croatian managers to manage the NOVA plant to establish a strong MARBI Group.

2 Managing Director, NOVA (Novara)



You are very unhappy with the situation. Until your company was taken over by the Slovenians, you were very independent at work. Now, they are always asking for weekly reports on your productivity, costs and sales, which you believe is unreasonable as your factory is the money-spinner of the MARBI Group; your elite outdoor canopies sell incredibly well. You are expected to communicate in English. You are taking English lessons, but you find them very difficult and time-consuming.

You have always enjoyed the climate in your factory, which is now changing with your company having to downsize. Besides, workers are complaining about the quality of food, since the company restaurant offering traditional Italian meals has been subcontracted to a self-service chain to reduce costs.

3 Director of Human Resources, MARBI (Maribor)



You can understand the situation from both sides. Although the Italians do not seem to cooperate well, you are convinced that others are not helping them either. The Group's working language presents a language barrier. Both, the Slovenians and the Italians are taking English lessons and while the Slovenians have improved their communication skills incredibly, the Italians have not done much. Their English course attendance is low and communication is not at its best. For the sake of improving the climate at the Novara plant, which has always been good in the past, the Group should make efforts to try to learn more about the positive aspects of its Italian subsidiary and make better industrial relations the focal point of its strategy. You would like to create a Group strategic programme *Group communication*. To encourage the idea of better communication among all companies in the MARBI Group, you have arranged for sports and social events to take place in all three locations.

4 Marketing Manager, MARBI (Maribor)



The MARBI Group's strategy is to boost the sales of Slovenian middle-range camping tents and outdoor canopies in Italy and simultaneously increase the sales of Italian first-rate elite party tents and canopies in Slovenia. KARLI from Croatia has used the marketing services of MARBI and managed to break into the Slovenian market with their low-priced camping tents and party tents. There have been no communication problems or rivalry among your and Croatian managers, which is not the case with the Novara people. They do not seem to fully respect the fact that the Group's working language is English, which is a second language for all members of the MARBI Group. While the Slovenian and Croatian managers' English is getting better, the Italians are making little effort to improve theirs. Because their reports are impossible to understand at times, you have to visit their factory to check out the situation yourself. In addition to unfavourable flight schedules, extra security checks at the airport make it impossible to do all you need in one day.

5 Marketing Manger, NOVA (Novara)



The new strategic alliance is damaging the reputation and the goodwill of your company. You are against the attempts to increase sales by creating a common marketing strategy for the entire Group, because your first-rate elite party tents and canopies should not be confused with the low quality camping tents and outdoor canopies from Slovenia and camping tents and party tents from Croatia. The brand recognition of your elite up-market products might be seriously jeopardized.

MARBI is only interested in reports and the launches of its mistaken ideas. Nobody listens to what you have to say. Instead of paying for your English lessons, you would rather see MARBI pay for your phone and petrol expenses. Your English is worse than their Italian, so you don't see any sense in using English as the Group's working language.

6 Production Manager, MARBI (Maribor)



You are in charge of managing every aspect of the efficiency of production in MARBI (Maribor), KARLI (Karlovac) and NOVA (Novara). While there are no problems with KARLI and MARBI production managers, the Italian production manager believes they are not responsible to you. Getting prompt and updated reports on weekly figures is impossible, as NOVA from Novara reacts only after having been sent multiple reminders. The figures show that their productivity is deteriorating and you feel your feedback on the productivity aspects of the entire Group is essential to help change their working methods and procedures. Efficiency is your motto and you do not approve of paying for luxury items from the company's budget.