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Meeting the growth challenge: developing the next level organization for GASA Group Germany

Special issue: Teaching case studies in food and agribusiness management

CASE STUDY

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Abstract

In order to remain successful, business organizations need to continuously adapt and respond to a changing environment. Rapid growth poses significant challenges to managers, not least with regard to maintaining the balance between efficiency and creativity in their organizations. Using the example of a wholesale company operating in the potted plants value chain in the lower Rhine valley, Germany, the case illustrates how the company was able to exploit the opportunities arising from the concentration in the value chain, and the necessity to adjust their organizational model in response to these changes. The case chooses the example of a small- and medium-sized enterprise (SME) as such firms constitute the prevalent type of enterprises in Germany. Simultaneously, SMEs often find it particularly difficult to adapt their tangible and intangible resources to such changes. The current material is intended to help train future managers mastering this challenge.

Keywords: organization design, company growth, horticulture value chain, small- and medium-sized enterprise, Lower Rhine valley, Germany

JEL code: L20, L81, M14, O13

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A teaching note has been prepared for this case study. Interested instructors at educational institutions may request the teaching note by contacting the author or IFAMA.

1. Introduction

Michael Bongers, Managing Director of GASA Group Germany, stood at his desk to prepare the presentation that he planned to hold at the annual staff meeting in December, 2015. Looking back at the past months he noted that it had again been a roaring but nevertheless very successful year for GASA Group Germany with many new customers, sales peaking at an all-time high, and important milestone projects brought on their way, such as the implementation of a new integrated Information Technology (IT) system and acquisition of real-estate for expansion of the headquarters. However, the fast growth of the company also poses a constant challenge to staff and management: will the company be able to maintain its impressive development? How does the organization need to change in order to become more efficient but remain flexible enough at the same time? How can GASA Group Germany keep its unique and inspiring spirit despite a growing number of employees? The more he thought about the situation, the more Michael Bongers was convinced that he should take the opportunity of the annual meeting to present the corner stones of his strategy for GASA Group Germany to his staff.

2. The lower Rhine valley – one of Europe's largest agribusiness clusters

The lower Rhine valley, an area located at the border of Germany and the Netherlands between the cities of Duisburg, Kleve and Mönchengladbach, is a rural area mainly dominated by arable farming, horticultural and dairy farming enterprises (Scholz, 2013). Approximately 145,000 people are employed in the agri-food value chain in this region, and this number has steadily increased in recent years (Schoelen and Goebel, 2012). Also extending to the Dutch provinces of Limburg and Gelderland, the region is considered being one of the largest agribusiness clusters in Europe (*ibid.*). The lower Rhine valley is one center of horticultural production in Germany. There exists a significant heterogeneity with regard to enterprise structure and prevailing production systems, including outdoor cultivation, cultivation in horticultural tunnels or greenhouses of various crops such as fruit, vegetables, cut flowers and potted plants (Table 1).

The lower Rhine valley is the main production region for ornamental plants in Germany; nearly 65 million plants corresponding to 46% of the entire German production were cultivated in North Rhine-Westphalia in 2013 (BMEL, 2014). A number of upstream and downstream processing enterprises are located in the region including the food industry, fresh produce logistics, suppliers of highly specialized technical know-how for greenhouses, horticultural education and training institutions and decentralized energy providers. Companies

Table 1. The horticultural industry in North Rhine-Westphalia 1981-2005 (LWK NRW, 2015).

	1981	1994	2005
Number of horticultural enterprises			
Vegetables	4,125	2,736	1,768
Flowers and potted plants	4,495	3,174	2,291
Fruit orchards	1,497	898	965
Tree nurseries	1,224	921	714
Area under cultivation (ha)			
Vegetables	10,728	14,052	17,082
Flowers and potted plants	2,193	2,528	3,253
Fruit orchards	3,894	4,410	6,932
Tree nurseries	3,618	3,913	3,870
Sales (million €) and % of total German sales			
Vegetables			350 (17%)
Flowers and potted plants			568 (38%)
Fruit orchards			167 (18%)
Tree nurseries			150 (18%)

like Landgard, Bofrost or Bonduelle and numerous small and medium horticultural enterprises are operating major production and processing sites in the region. Many of these enterprises are very successful and hold a considerable market share in Germany or abroad (Table 1).

3. The potted plants market, industry and value chain

Potted plants, which constitute a segment of the ornamental plants market and comprise flowering and green outdoor and indoor plants (Figure 1), are typically produced by highly specialized family-owned horticultural enterprises in the region. Production can take place outdoors or in greenhouses depending on the plant species, land and capital availability. Seeds, bulbs or cuttings are typically sourced from globally operating specialized breeders. While historically, many growers have been producing their own planting materials, specialization and division of labor have increased in response to market forces. Among these factors were, e.g. rising customer expectations with regard to plant quality and homogeneity, a growing importance of new plant varieties brought to the markets in increasingly shorter product cycles and overall pressures to increase efficiency and reduce cost of production. Growers typically specialize in cultivation of a very limited set of potted plant species or varieties. Soil substrates are either prepared by the growers themselves or obtained from specialist input dealers, as most other inputs are too, such as fertilizers or pesticides. Planting materials are planted directly in plastic pots, in which the plant is finally sold to the customers.

The production cycle lasts between 3 to 12 months on average. Production in greenhouses involves high capital and operational expenditures and, therefore, aims to maximize output of plants per unit of area and unit of time. This is achieved by carefully managing the environmental conditions such as light, temperature, moisture, water, nutrients and protection thereby ensuring optimal plant growth. In contrast, outdoor production is far less capital intensive, but involves slower plant growth; longer production cycles thus require larger production areas, as plants remain longer in the production process. While high-intensity horticultural production in greenhouses is the predominating production system in the Dutch ornamental plants business, horticultural producers in the lower Rhine valley have mainly specialized in outdoor production given a higher abundance of land resources. Another aspect closely related to this is that the average unit value of plants produced in this region is only ca. 50% of potted plant products grown in the Netherlands.

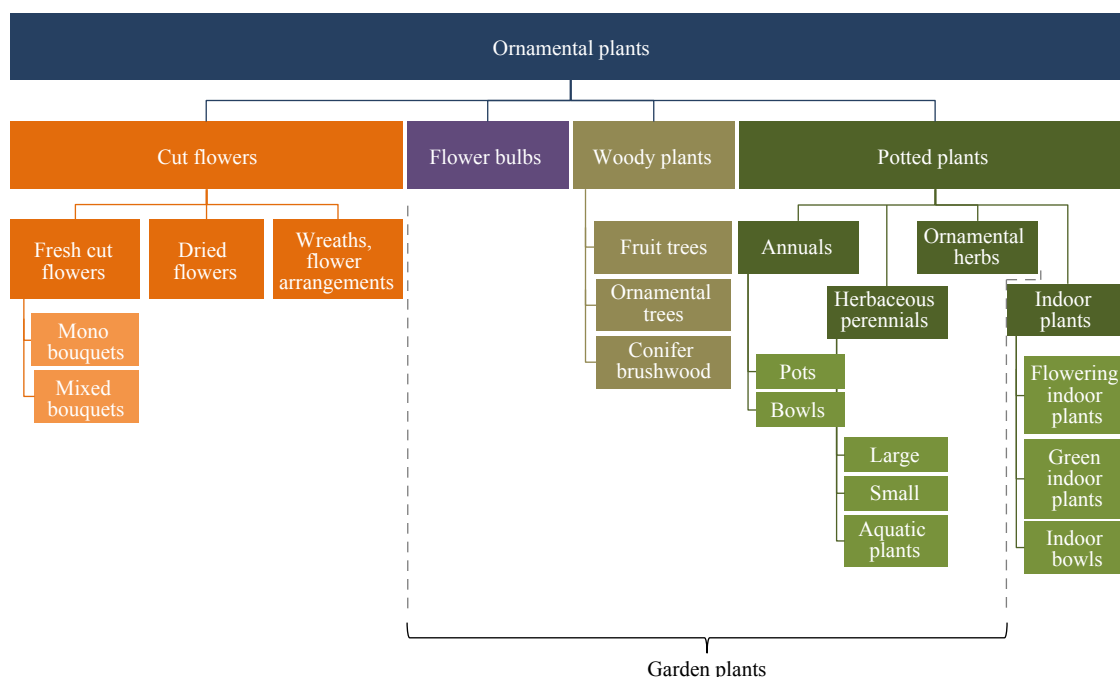


Figure 1. Segments of the ornamental plants market in Germany (AMI, 2015).

Producers can market their products through a number of channels. Direct sales and direct marketing were traditionally very important and allowed horticultural producers in the region to continuously adjust to market trends and changing customer demands. Small-scale florist shops were the traditional retail outlets and currently still constitute 28% of retail sales (AMI, 2015). Quality and freshness of plants, as well as accurate and punctual delivery are important for these customers. However, potted plants are nowadays increasingly also sold to consumers through outlets of large-scale specialized retail chains (e.g. Holland Blumen Shops), do-it-yourself markets (e.g. Hagebau-Gartencenter), or food retail stores (e.g. Aldi). These large-volume customers demand competitive prices and require high product consistency and standardization, i.e. stable product features over the period of a marketing campaign of several weeks. Because the quantity of plants required by these customers exceeds the production capacity of individual producers by far, wholesalers such as GASA Group Germany or Landgaard are gaining increasing importance in the potted plant market chain. They know the local producers, assemble the products delivered from the many growers to batches that fit the daily orders of their different customers, and dispatch these batches to their customers' points of sale. Most producers currently only sell between 10-30% of their production through one particular wholesaler based on seasonal or annual contracts. Growers that meet specific quality requirements or are particularly flexible to supply larger quantities of plants may also almost exclusively supply their production to one particular wholesaler based on long-term contracts. Approximately 5% of the total potted plant production at the lower Rhine valley is sold through plant auctions, such as Veiling Rhein-Maas.

Generally, the potted plants market has evolved from a sellers' market to a buyers' market, which is now increasingly characterized by overproduction and declining price levels. While plant growers could sell almost anything to customers during the 'economic miracle' in the 1950s and 1960s, increasing productivity and production quantity have increased competition among growers in the years after. Rising energy cost and wage levels, stricter environmental regulation with regard to ground water protection and the increasing market power of large-scale retailers are some of the forces that contributed to the structural change in the sector. Consequently, the average production area of ornamental plants producers in North Rhine-Westphalia has increased from slightly above 1 hectare in 1996 to approx. 2.5 hectare in 2012, while the number of producers has declined from 2,800 to below 1,200 in the same period (BMEL, 2015). Many producers were driven out of the market, whereas some growers could successfully adapt to the new conditions by investing in modern technologies, expanding and specializing their production. The industry is also under pressure from international competitors. Large-scale production facilities are located in countries such as Kenya or Ethiopia (Gebreyesus and Iizuka, 2011), where climatic conditions are favorable and factor costs are low. From these sites, high-quality cut flowers are being supplied through air cargo and refrigerated container ships to the international market at low cost all year round. With regard to vegetables production, a similar situation exists with production centers in the Mediterranean and the Netherlands. The horticultural industry in the lower Rhine valley has responded to these competitive pressures by focusing on the production of comparatively high-value ornamental outdoor potted plants, such as *Erica gracilis* (Cape heather), *Helleborus* (Christmas rose) or *Calluna vulgaris* (Heather) bicolor or budbloomer breeds with prolonged flowering periods or unusual colors; innovative product and service solutions, such as perennial herbs sold in visually appealing three-liter pots; or own-label products such as GASA's 'Seasonscollection' that excite the customers and exceed their expectations (Figure 2).

With a market size of 4.0 billion EUR in 2014, Germany is the most important market for potted plants in Europe (Table 2). On average, customers in Germany spend 50 EUR on potted plants, 37 EUR for cut flowers, 17 EUR for tree nursery products and 3 EUR for bulbs per year (AMI, 2015). The market has been largely stable with a growth rate of 0.4% p.a. between 2009 and 2014. Market forecasts generally see a declining demand for potted plants in the future due to the increasing popularity of a sober furnishing style and the prevalent belief that house plants require intensive care, which is not compatible with the perception of a more hectic everyday life (Tröster, 2015). However, some sub-segments grow against the market, for example fairtrade plants, potted vegetables and other lifestyle products (BVR, 2013). Other sources predict that the potted plants market in Germany will be less affected by demographic trends and the aging of population than other market segments, as the number of consumers with above-average spending on these products,



Figure 2. Examples of high-value potted plants products (© GASA Group Germany).

Table 2. Estimated consumption (in EUR) of flowers and ornamental plants in selected countries (EC, 2010).

Country	2000		2005		2009	
	total (mill.)	per capita	total (mill.)	per capita	total (mill.)	per capita
The Netherlands	1,328.8	83.80	1,308.3	80.20	1,298.9	78.80
Italy	2,336.1	41.00	2,741.1	46.90	2,720.7	45.30
Germany	3,921.7	47.70	4,227.2	51.20	3,982.3	48.60
France	3,049.7	50.40	3,215.8	51.20	3,160.5	49.10
Spain	1,076.5	26.90	1,820.2	42.30	2,166.7	47.30
UK	1,985.2	33.80	2,340.2	39.00	1,947.8	31.80
Belgium	349.6	34.10	441.4	42.30	449.1	42.00
Portugal	402.9	39.50	456.7	43.40	507.6	47.80
Austria	474.3	59.30	472.8	57.70	490.8	58.70
Sweden	360.5	40.70	397.8	44.10	350.1	37.80

i.e. people aged 55+ and childless couples, will grow (Ludwig-Ohm and Dirksmeyer, 2013). Economic development that leads to a rising per-capita income in countries such as China, Poland or the Baltic States is predicted to increase the demand for potted plants and cut flowers in these countries and makes further internationalization a significant growth opportunity (Tröster, 2015).

There are clear regional and seasonal fluctuations of customer demand and preferences in the potted plants market. For example, in springtime bed and balcony plants are in high demand, while in autumn customers primarily desire herbaceous perennials such as *Calluna* ssp. or ornamental grasses. Spring is the main season in most countries. During July and November, high-value potted plant products dominate the market. Because of GASA Group Germany's strong export orientation, most of their business was traditionally completed during this period. However, GASA Group Germany has been able to build up significant business in Germany, Austria and Switzerland during the first and second quarter by offering its customers an attractive springtime assortment of plants. This helped to reduce and partially even out seasonal fluctuations in sales (Figure 3).

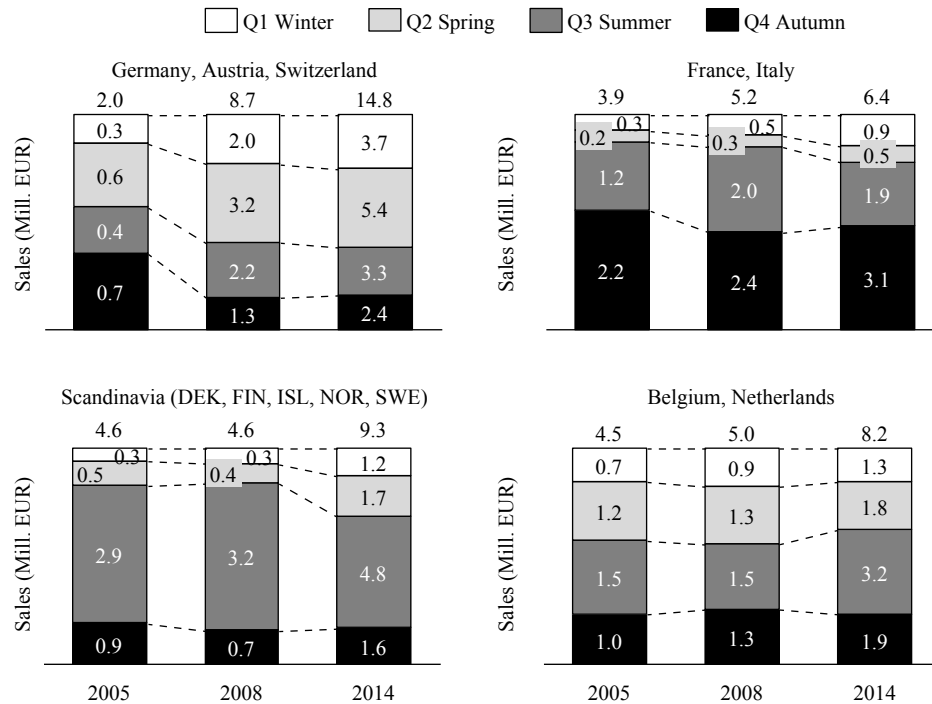


Figure 3. Seasonal distribution of sales in selected countries (data provided by GASA Group Germany).

4. GASA Group Germany

GASA Group Germany was founded in 2002 as a subsidiary of the Danish GASA Group A/S (Figure 4). The GASA Group is, alongside with numerous other agribusiness brands, part of the DLG Group, one of the largest agricultural companies in Europe and currently owned by Danish farmers. GASA Group Germany is located in Kevelaer in the heart of the lower Rhine valley. Before joining GASA Group Germany as Managing Director in 2002, Michael Bongers has been working for 13 years in a number of horticultural production and wholesale companies in the region. With his profound knowledge of the industry, and a strong business attitude, he clearly saw the opportunities associated with establishing GASA Group Germany in the lower Rhine region as one of the leading potted plants wholesaling companies in the German market. The GASA holding operates establishments in Denmark, the Netherlands, Germany, Poland and the UK. The holding mainly provides to its subsidiaries credit insurance, access to the pool of so-called CC containers¹, and more favorable credit terms than the individual establishments would be able to secure from banks. Central oversight and support in terms of facilitating best-practice sharing across subsidiaries is relatively weak. For example, benchmarking or monthly financial performance review meetings do not regularly take place. Some of the strategic initiatives of the headquarters have come much too late and failed to address current challenges in the German market. However, GASA Group sets financial performance targets for its subsidiaries, and has also promoted harmonization of IT systems in the accounting, purchasing and sales departments across its dependencies in order to leverage synergies and improve oversight. Despite the fact that Michael Bongers is part of GASA Group's management team, GASA Group Germany operates largely independently from its parent company and is run in an almost owner-operated fashion.

During the first years after establishment, the company was run by a team of only nine people. From these early years, the company has tried to maintain a start-up business-like working culture that manifests itself, among others, in flat hierarchies, an open-door policy and the creation of opportunities for informal interactions

¹ The Belgian-Dutch company Container Centralen was founded in 1976 as cooperation between Danish flower and potted plants exporters and established the CC containers and the CC pool system. The standard sized returnable transport containers improve efficiency in horticultural, retail, and other industries in which fast logistics are crucial. The company currently operates over 50 container depots and offers a range of supply chain management and rental services to its customers.

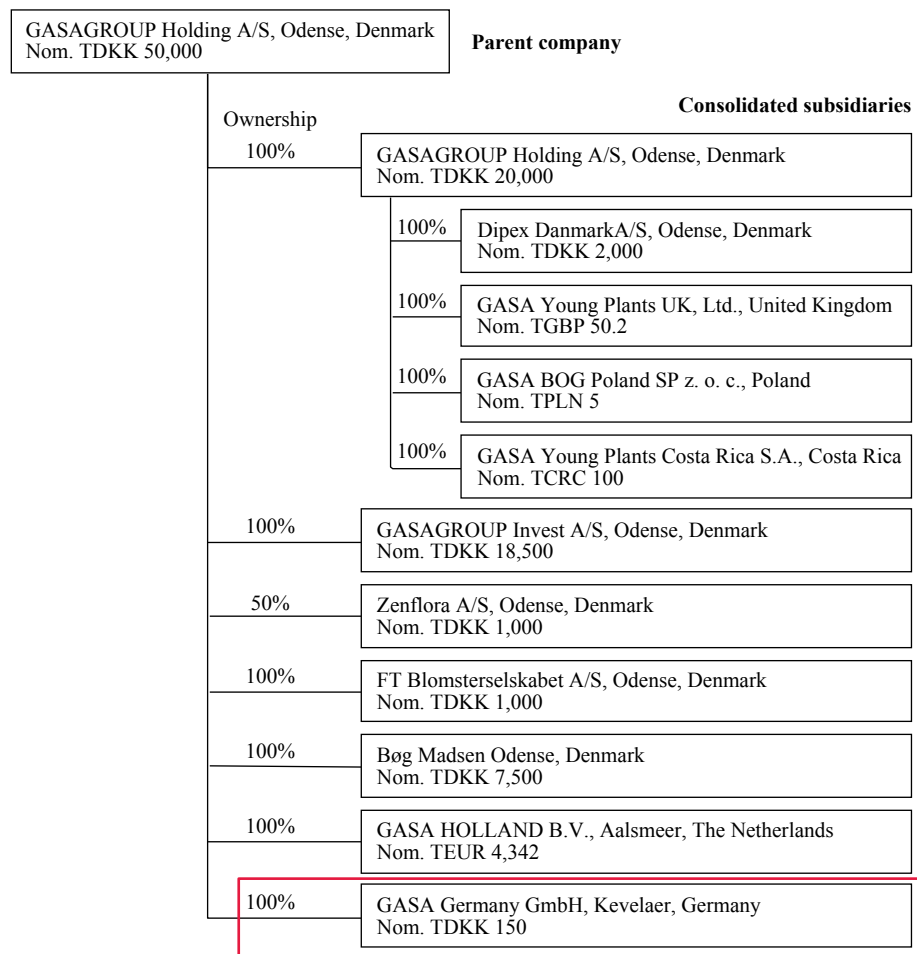


Figure 4. Organizational chart of GASA Group (GASA Group, 2015).

across all organizational levels and functions; great team spirit and the attempt to make employees feel as comfortable as possible at work. For example, employees are offered free beverages at GASA Group Germany, and the company also arranges a Christmas and a summer party for its employees every year. Furthermore, the company culture is characterized by an 'anything is possible' mentality that encourages employees to feel responsible for and to continuously improve the company, while simultaneously letting them know that their contributions really make a difference. This also comes along with the implicit expectation of above-average individual motivation and performance and a 'let's get the work done' attitude in which, *inter alia*, the employees' willingness to work over-time hours during peak seasons is taken for granted.

The range of GASA Group Germany's services includes (1) the marketing of high quality potted and ornamental plants to national and international retailers, for example in the Netherlands, Italy, France, Austria, Switzerland, the UK, Island, Norway, Sweden, Denmark, Finland, Estonia, and Israel; (2) services, which for example include labelling, affixing barcodes, pre-packing and packaging of plants into customer-specific wrappings, as well as provision of product photos for customer catalogues and websites; (3) phytosanitary and customs clearance; and (4) the development of innovative plant concepts and novelties together with growers in order to help their customers lead their markets. The company supports producers and clients in many different areas such as export, logistics, promotional marketing concepts, trade fairs, translations, value adding and computing. The range of products is supported by an excellent customer service. From the beginning, GASA Group Germany has developed a close relationship to its producers and clients. One important way to build such strong relationships is GASA Group Germany's multi-lingual staff with a high

level of professionalism in different areas of the sector. Over the years GASA Group Germany has received excellent customer reviews and holds numerous certifications.

While GASA Group Germany procures selected products, such as potted palm trees and other tropical, subtropical or Mediterranean plants from producers in Portugal and Italy or from importers in Belgium, the Netherlands and Denmark (Figure 5), 80% of the products are sourced from the lower Rhine valley within a radius of 50 km. 75% of its sales are generated in export markets (GASA Group Germany, 2015b). The company, therefore, plays a significant role for opening up of new export markets and growth opportunities for horticultural producers in the region. Short transportation distances to its suppliers ensure that plants remain fresh and are delivered to the customer within 24 hours after harvest from the growers' fields. Most growers deliver their plants to GASA Group Germany's warehouse in the early afternoon. Plants are stored on pallets in CC containers to ease physical movement. GASA's employees register the shipment and check quantity and quality of the batches. Until 5 p.m., the various plant products are rearranged and assembled according to the daily orders by GASA's customers. Contracted transport companies pick the assembled batches and deliver the plants to the customers' points of sale by lorry, vessel and/or plane, where consumers can buy the products typically the next morning. Efficient operations and fast product turnaround times at GASA Group Germany are enabled by up-to-date IT software and infrastructure. For example, barcode label printers and scanners help to consistently track product batches and electronically process orders; logistics are largely paperless as invoices are almost exclusively sent by email. Contracting-in of transportation services, as well as of temporary labor during peak seasons allows lean and flexible operations and a reduced fixed cost load.

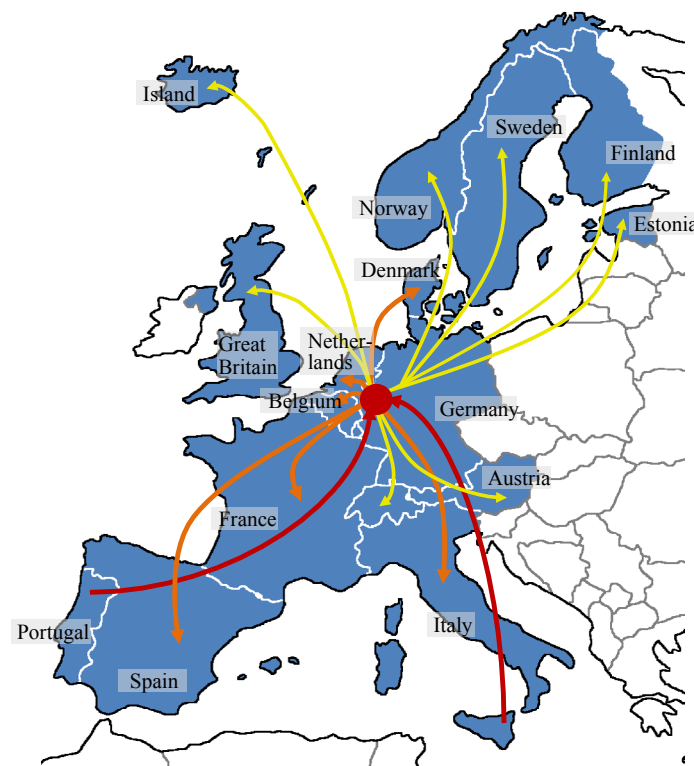


Figure 5. The company's supply and customer relationships (provided by GASA Group Germany).

GASA Group Germany regularly participates in industry trade fairs, such as IPM in Essen. It also organizes its own seasonal fairs and conducts so-called flower trials tours, where GASA staff together with selected customers visit major suppliers who present innovative breeds and potted plants products directly at their fields and greenhouses. The company has also established a structured process of regular interviews and meetings with key suppliers and customers. These measures help GASA Group Germany to build and maintain trusted relationships to its customers and suppliers. They also help the company to scout market trends and understand customer expectations, and to respond to these by commissioning from or helping selected suppliers to design and develop novel potted plant products. For example, the company's management is much aware of the increasing importance of environmental standards for consumers and has, therefore, initiated a number of sustainability projects in the past, such as a project on reusable pallets, compostable pots or a reduced use of pesticides during the production process. While most environmental standards are defined and imposed on growers, wholesalers and other stakeholders in the potted plants value chain by the powerful retail chains, GASA Group Germany actively seeks opportunities to differentiate from competitors by defining and helping its suppliers to meet additional quality requirements. A good example is the label 'Natürlich Niederrhein'², a regional marketing label that has been developed with the support of GASA Group Germany (Agrobusiness Niederrhein, 2015).

GASA Group Germany's staff is the backbone of the company. The enthusiasm and commitment of the employees to their work makes for a successful and profitable business. Recruiting of new staff members, therefore, is highly selective. Candidates are typically hired after a careful assessment, e.g. based on a trial working day during which the candidate works in various departments of the enterprise and his/her fit with the company can be evaluated by several managers. GASA Management regards personal and professional development as essential factors in maintaining business success. Continuous training that ensures staff and their families are protected by job security, decent labor hours, a motivating work environment and health promotion programs are part of GASA Group Germany's work philosophy. GASA Group Germany also conducts business in an environmentally and socially sustainable manner as witnessed by a number of certifications such as 'Fair flowers – fair plants'³, the EU organic label⁴ and the MPS sustainable quality label⁵. These are considered not only important to increase customer acceptance of their products in light of most consumers' growing environmental consciousness and awareness of environmentally harmful practices in horticulture (DEGA, 2011), but also internally as they potentially add meaning to the employees' work.

Due to its focus on product quality, efficient operations and excellent customer service, the company has been able to grow very successfully since its founding (Figure 6).

Despite this impressive growth, the profit margin has remained constant at between 0.2-0.7% before taxes. The largest cost items refer to Cost Of Goods Sold and Personnel cost (Table 3). Compared to its competitors, such as Landgard, Intermarkt Thielen or Euregionales Pflanzenservicecenter (EPS), the performance of GASA Group Germany is only below average. For example, Intermarkt Thielen reported a profit margin ratio of 2.5-3.8% of sales in the same period.

² <http://www.natuerlich-niederrhein.de>.

³ <http://www.fairflowersfairplants.com>.

⁴ <http://www.ifoam-eu.org/en/detailed-implementing-rules/labelling>.

⁵ <http://www.my-mps.com/de>.

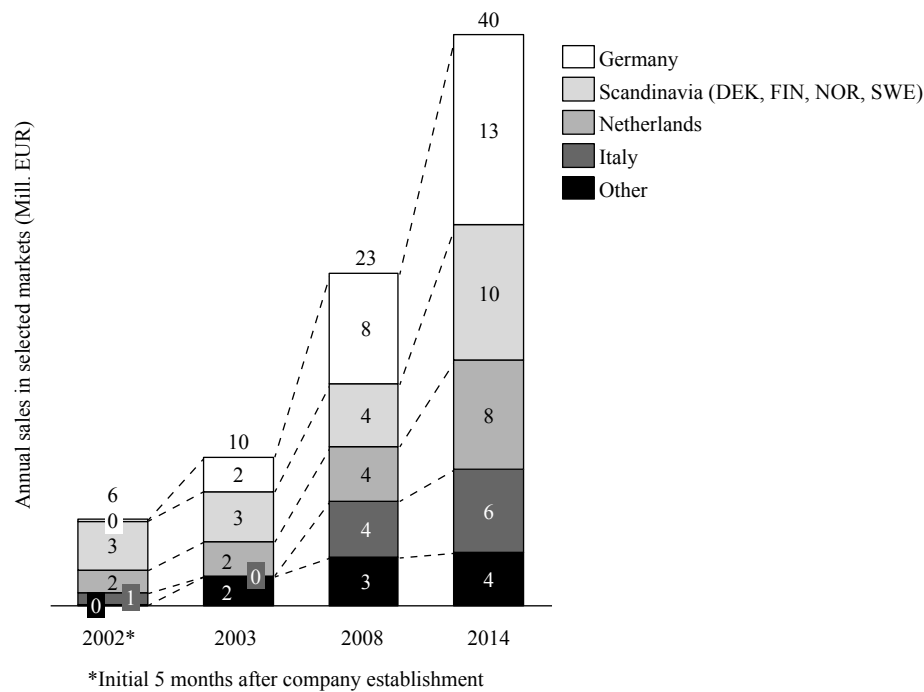


Figure 6. Annual sales (data provided by GASA Group Germany).

Table 3. Profit and loss statement ($\times 1000$ EUR) (GASA Group Germany, 2015a).

	2015	2014	2013
Sales revenues	43,681	39,679	37,384
Personnel expenses	4,026	3,526	3,202
Ordinary depreciation	240	230	175
Operating expenses	1,092	1,188	999
Other expenses	96	37	74
Total expenses	5,454	4,981	4,450
Earnings before tax	288	73	231
Other data			
Accounts receivable	1,983	2,214	2,526
Total assets	6,635	5,404	5,539

5. Organizational architecture of GASA Group Germany

Along with the company's sales growth, the number of permanent and seasonal employees has increased significantly over the last years. Within only 13 years, the number of permanent staff at GASA Group Germany has increased by a factor of more than nine (Figure 7).

At the same time, the average span of control⁶ increased from 3 to 12.6. Through hiring of graduates and job entrants in addition to more experienced personnel, the average age of GASA Group Germany's employees remained almost constant at ~36 years over this period. With the team being relatively young, only one employee has retired so far. Though a sufficient number of qualified applicants have so far always been available to support company growth, the management of GASA Group Germany is very much aware that

⁶ The span of control describes the number of people for which an individual line manager is responsible.

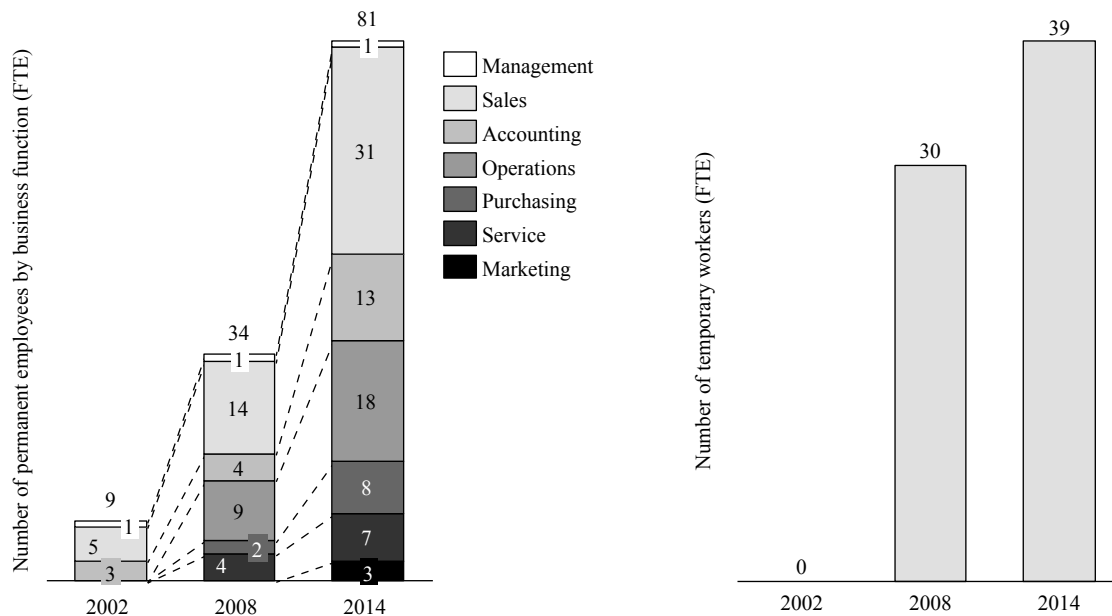


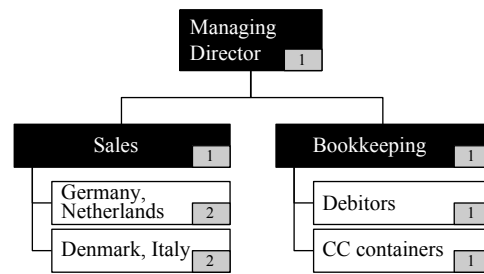
Figure 7. Number of employees (data provided by GASA Group Germany).

the talent market is potentially getting tighter in the future, which will likely make attracting and retaining of highly qualified staff members more challenging in a semi-urban area like Kevelaer. Furthermore, some of the first generation staff members claim to have observed noticeable differences with regard to work ethics and attitudes between newcomers and long-tenured employees. For example, younger colleagues seem to take less responsibility for the company, be less willing to work overtime hours and to perceive working at GASA as a 'job'. Simultaneously, they seem to demand more autonomy, prefer challenging projects over routine tasks, and are more career-oriented. First generation line managers need thus to learn how to accommodate these employees' needs and adjust their leadership styles accordingly.

GASA Group Germany's organizational architecture has been a functional structure since its foundation (Figure 8). The Sales and the Accounting functions were the first ones created. While the sales department was also in charge of procuring plants from suppliers, marketing was in the responsibility of the Managing Director. While it was not unusual for all employees including managers during the first years of GASA Group Germany to help out in the warehouse in peak seasons or to prepare the company booth for a trade fair, the organization and its employees have increasingly specialized over the years, and part of the team spirit of the early years was lost.

In 2008, a dedicated purchasing function has been established with 2 employees. The warehousing and service functions were established in the same year and the marketing department in 2015. Decision-making has been largely centralized at the top of the hierarchy since the beginning. Nevertheless, employee feedback, ideas and initiatives have always been explicitly invited for decision-making. As a consequence of organizational growth, operational decisions are now increasingly being delegated to functional staff. For example, sales staff can currently decide autonomously on customer refunds up to a limit of 500 EUR. Yet, a number of key strategic decisions, not least with regard to employee compensation and benefits, remain in the sole discretion of the Managing Director. The Heads of the functional departments report directly to Michael Bongers. A Managing Board consisting of the Heads of the sales, accounting and purchasing departments advise the Managing Director. During the previous years, this functional organization has been very effective in providing control and coordination, direction and focus for employees in the context of growth, fostering efficiency and making available in-depth expertise within the organization. However, despite the efforts to foster informal interaction and exchange between employees and across functions, some of the operational level staff in the warehouse increasingly feel sidelined by the white collar workers in the other departments,

2002



2008

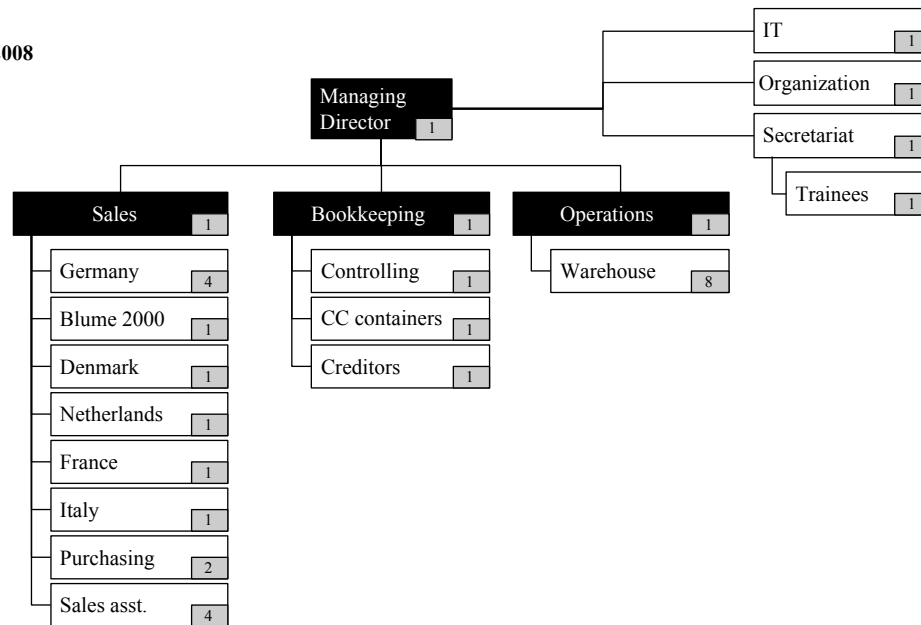


Figure 8. Organizational chart of GASA Group Germany with number of full-time employees (FTE) in 2002 and 2008.

which is possibly caused by the geographically distinct location of the warehouse and the administrative offices. Formalized linkage mechanisms across functional departments do not exist.

GASA Group Germany's sales function can be regarded as taking a key role in the organization, not least because Michael Bongers has been working many years as a salesperson. It is the largest department of the company with close to 40% of the employees working there. Furthermore, two employees from the sales team are members of the influential Managing Board. While responsibilities between employees in this function are divided by geographical markets and large key accounts, information exchange between the sales staff is facilitated by the open plan office and regular formal and informal interactions between employees, such as in internal working groups, presentations and meetings.

The company's vision indicates a strong supplier and client orientation, excellent customer service and first-class human resource development practices as foundations of its business success (GASA Group Germany, 2015b). Company values comprise teamwork, flexibility, reliability, respectful social interaction and innovation (Reifferscheidt, 2016). Yet, many employees in particular at the tactical and operational levels of the organization feel that the company goals and strategy are not well communicated to them, and are also not fully aware of the company mission, vision and values (*ibid.*).

6. Challenges ahead

Looking out of the window of his office, Michael Bongers went through the list of burning questions that have already bothered him and the management team for some time. The most puzzling questions on this list include: how does GASA Group Germany's organizational architecture need to change in order to accommodate past growth and future opportunities? How can the company maintain its unique family-like and inspiring spirit despite its growing number of employees that make it increasingly difficult for staff to cultivate relationships to each other at a personal level, to collaborate across business functions, and that increase the danger of cross-departmental conflict? What is the need for increasing efficiency and standardization in GASA's business processes, and how does this affect the organization's flexibility and entrepreneurial spirit? How will the company ensure it continues to attract a sufficient number of qualified employees to help realize its growth ambitions in the future? How should GASA Group Germany position itself in light of the growing importance of sustainability initiatives in the industry? Which innovative models of value creation will GASA Group Germany be able to establish in order to increase the long-term profitability of its business activities? 'At the staff meeting, I really should present to our employees a convincing answer to all these questions,' Michael Bongers said to himself. He returned to his desk and started his analyses.

Acknowledgments

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