



MICTORY MANAGEMENT

THE CHALLENGE: Cultural differences

One of the greatest barriers for continuous business success of foreign owned companies in China is the management of cultural differences.

European CSR and compliance standards are not directly translatable into Chinese business culture, causing profit and transparency to be lost, and sub-cultures being developed.

THE SYMPTOMS: Poor performance

HAVE YOU EVER ENCOUNTERED THIS:

- Decline in profits and growth rate (if there ever was any)?
- A sense of hidden agenda or taking "different paths"?
- Employee performance and output declining?
- Abnormal employee turnover, blue/white collar?
- Higher costs of operations and sourcing than budgets?
- Frequent excuses for missing targets and budgets?
- Reporting is not transparent, adequate or accurate?

ONE CAUSE: Shadow Management

The game and playing field appears familiar, but the real game, responsive patterns, and business strategy is very different, and short term profit overshadows long term accomplishments, prevailing rules and regulations.

THE MICTORY APPROACH:

In MICTORY, we approach the individual challenge.

We are hands on, making changes, and delivering results!

- We are highly experienced in solving exactly these complex business cultural issues, ensuring fast return on investment, and sustainable solutions.
- We are in the front line of implementation and execution, and we guarantee profitable results.
- We already know You are the best in your business, and we support removing cultural layers, increasing the performance to original expectations and become best in China too.



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INTER-CULTURAL PERFORMANCE MANAGEMENT

CASE STORY: Saving CNY 41mio.

Steel manufacturing, Shanghai
+ 1.000 employees

SYMPTOMS

- High cost in purchasing and outsourcing
- Strong resistance to change or optimisation in supply chain.
- Powerful threshold to single suppliers and partners.

ROOT CAUSES

- Benchmarking confirmed the threshold to suppliers to be unhealthy and expensive.
- Suppliers have a powerful and negative influence on organisation.
- Missing transparency in purchasing and organisation.
- Substantial risks in contracts and documentation.

ACTION

- Maintain supply chain and outsourcing team during change management phase.
- Screen, identify and implement new suppliers on major cost spend (20/80).
- Substitution of business destructive people in purchase organisation.

RESULTS

- Savings of totally CNY 41.000.000/year contracted. 50% implemented by exit.
 - Purchases; CNY 23.000.000
 - Outsourced; CNY 18.000.000
- Increasing compliance and reducing risk in supply chain.
- Delivery assurance increased by Dual Sourcing on major categories.

