

Reshaping the image of an industry- The Intrum Justitia Case

TEACHING NOTES

The authors prepared this case solely as a basis for class discussion and not as an endorsement, a source of primary data, or an illustration of effective or ineffective management. Although based on real events and despite occasional references to actual companies, this case is fictitious and any resemblance to actual persons or entities is coincidental.

Teaching notes

Case synopsis

The leading European credit management service (CMS) provider, Intrum Justitia, has had a rapid growth in the past 40 years, primarily through mergers and acquisitions. In 2006, the firm was locally oriented in each of its 20 countries of presence, with a scattered brand portfolio and a lack of corporate identity. The debt-collecting industry had the image of being “the bad guys”, using warnings and threats as they hunt down debtors. The bad reputation also negatively affected the employees’ view on their role and the attractiveness on the labour market. Intrum Justitia decided to depart on journey with the ambition of changing the image of its company, but also the perception of the CMS industry. It resulted in major internal and external changes for the company, which nowadays operates in an innovative and people-friendly way. This case allows the participants to evaluate on, discuss and formulate the important factors of corporate brand identity and reputation, both from an internal- and industry perspective.

Learning objectives

This case is about the reshaping of the image of a firm and the industry where it operates. Simply, how to turn a situation gone bad, into something good and unique. It aims for providing the students with an understanding of important areas in corporate brand management and reputation in order to make the change. The following implications can be learned from this case:

- A good first step is to measure where the company stands both internally and externally
- Involve your employees, people are part of the key issues and solution
- Make decisions based on the gathered information on which direction the company wants to go and what its core values are
- ‘Why are we doing this?’ is an important question that needs to be answered and integrated in the company’s culture
- In order to structure the answer, core values and leadership principles should be defined in order to become a unified group
- It is important to have a common way of behavior integrated in daily activities
- Reputation is built through how you act and appear every day
- One corporate brand is the basis for a unified corporate culture

The case applies an authentic business issue and allows for the students to interpret and solve a practical situation with theoretical tools acquired from studies in marketing and brand management.

Opening question

What challenges are Intrum Justitia currently facing with its brand and the industry that it is operating in?

Teaching suggestions based on practice

In order to successfully present the case, we suggest the following steps. In the background section, be sure to put emphasis on the following:

- Several mergers and acquisitions
- The variety of logos and local influences
- Low brand awareness
- Lack of a unified core and unclear values
- Recruiting problems
- The ambitions (e.g. business facilitator, 'good guy image', customer focus, and problem solver)

Before the discussion starts, summarize the ambitions and vision of the strategic review process: reshape the image of the company and the industry, turn from bad into good and from a debtor to a solution provider by understanding customers. Make sure that all the participating student have a clear image of what is to be discussed. From the practice, the ambition of the strategic changes became a discussion of itself, which is not preferable as the focus should be at finding actions on how to carry it out. As the discussion starts, try to have separate persons writing on the whiteboard and guiding the discussion, as it otherwise may interfere with the progress of the discussions. As of the whiteboard notes, make it short and simple and stick to the categories (key issues, alternatives and actions) as it easily gets cluttered and hard to comprehend. When the case discussion is coming to an end, wrap it up with a summary, either by yourself or one of the students.

During the result section the learning objectives should be highlighted and presented according the solution of Intrum Justitia.

Time plan

The case will have the following time plan:

- 15 minutes of background introduction
- 15 minutes of case discussion
- 15 minutes of case solution presentation and possible discussion about alternative solutions

Teaching plan

The first part of the lecture is dedicated to the explanation of the case with background information. This part should focus on giving the students enough information to picture the situation and gain some thoughts for the upcoming discussion. The information will enable the students to see different alternatives as the solution.

During the second part, the discussion is opened by the three guiding questions. The students are assigned to be a corporate level HR-team of Intrum Justitia and have to decide which actions they are going to take to solve the issue. This part is led by one of the case leaders, whose main task is to guide the discussion and structure the outcomes and alternative perspectives. The ambition is to divide the discussion into three consecutive phases; starting with a mapping of the key issues, followed by potential alternatives and finally deciding on actions. See Appendix D for suggestions.

The third and last part of the case involves presenting the solution as made by the company. The students will have come to a solution they deem most fit before this step and will hear about how the company acted in reality. After the results are presented there is a possibility to continue discussing some alternative solutions with the students.

Reflection

As students of the Corporate Brand Management and Reputation course¹, we have acquired a satisfactory experience of solving Management Decision Cases (MDC). These cases are developed and designed especially for Master's students. Although we have done several cases in class, it was something completely different to formulate a case ourselves. As the case writer, one must do everything from the student's perspective to ensure that there is no vital information left out. On the other hand, the case should be brief enough to maintain the interest of the students. This was a valuable lesson for us, as it gave us a deeper understanding on how MDCs are written.

Together with our teacher, we chose to make a written case out of a case lecture held by Intrum Justitia in class. This was convenient due to the access to material, but also somewhat challenging as the target audience may already have done the case. This increased the risk of missing out on important parts in the introductory description of the situation, as we may take some information for granted. It could also bring about a lack of enthusiasm, which puts pressure on us to make it challenging enough for the participators. It was also challenging to decide on the degree of information which should be given in the introduction of the case, as too much information will lead to a short discussion and a quick solution, while insufficient information will lead to an inactive discussion.

As recommended by our teacher, we had a testing session with another group. It proved to be very worthwhile, as they provided us with several important insights. Firstly, they gave us feedback on the presentation of the introduction which enabled us to make it more interesting and concise. Also, by doing this we made sure that nothing of importance, to require an adequate understanding of the case, was left out. Secondly, we did a trial run of the case discussion with the other group. This was crucial for the design and disposition of this section. It made us reconsider some initial thoughts we had and eventually we came up with a format that seemed to

¹ BUSN35 Corporate Brand Management and Reputation, Department of Business Administration, LUSEM.

work well. For example, we thought of making the students initially formulate the ambitions of Intrum Justitia and thereafter cover the key issues. However, this led to confusion among the participants and made the discussion move away from the main subject, which made us reconsider the case questions. We gave feedback on the other group as well, which enabled us to critically review the layout of another case. We believe that this was important to be able to effectively revise your own work in the work-process to come. With this said, we strongly recommend future case-writers to do this as well, as you will find errors and improvements that otherwise would have been neglected.

After several years of academic studies, we appreciated to work with a new and innovative type of examination. We encourage more case-writing as it puts the students in a role that they are not familiar with, hence provides new insights but also challenges.

Regarding the management decision, everyone participating in our case discussion will be aware of what actually happened to Intrum Justitia. Therefore, our challenge is to make the participants think “outside of the box” and provide new insights to the actual result. We are positive that there will be natural and versatile case discussion. If not, it is up to us to make that happen.

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Some information is sourced from e-mail correspondence with Jean Luc Ferraton, Chief Human Resources Officer at Intrum Justitia in Sweden.