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EIB

GECA TEXTILE

-Teaching Note-

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GECA Tekstil Teaching Note

GECA Tekstil

Summary:

GECA Tekstil was co-founded by textile engineer Ozan and business administration graduate Anil in 1990. As mentioned in the case study, the company represents the initiative of two entrepreneurs with the support of Ozan's father who was a prominent contributor in the cotton industry. However, it mainly happened when the two recognized this attempt as an opportunity in Europe which in turn could work out in Turkey on behalf of them. When in Germany, Anil and Ozan were able to notice the growing popularity of basic t-shirts in Europe. Osman Bey (Ozan's father) had knowledge and experience about the cotton market and its players. With his contributions, the two embarked upon a new journey and established a small-scale workshop. Their business grew into a factory where they also carried out exporting activities. In time, however, the business took serious hits even though it kept up with the ever-changing trends as well as economic and political circumstances, as mentioned in the case. Many companies, including theirs, went bankrupt and they knew they were getting closer to its demise despite following the markets. Attempting to catch up with the European trends wouldn't work out for them to survive any further. That's why they realized that they needed innovation which would require them to enhance their R&D infrastructure so that they could produce innovative products/services, dominating the markets therewith. So, they first decided to employ someone who would found the basis for their upcoming R&D efforts.

Purpose of the Case:

This teaching note highlights GECA Tekstil's experiences in adapting to the changing conditions such as fluctuating economic and social structure, consumer preferences, new business opportunities and globalization. Starting up with an entrepreneurial spirit, the company was co-founded by two fellows in 1990 in Manisa. The note also includes the company's preferences and strategic decisions to survive in this challenging process, while emphasizing the significance of R&D and innovation.

The case basically focuses on the following topics:

- How companies adapt to changing market conditions
- The significance of R&D and Innovation
- Human resources support for R&D
- A company's adaptation to innovation when it is hardly familiar with the innovation culture

Case Teaching Plan:

The following case teaching plan consists of one course ideally lasting about **120 minutes** without any breaks. The teaching course can be divided into two sessions depending on the trainer’s request and length of discussions.

Activity	Duration (minute)
<p>Providing Information about the Case Brief information is provided to introduce the case study and company subject thereto.</p>	5’
<p>Question 1: Do you think GECA Tekstil's search for innovation is justifiable? Please list the supportive arguments and counterarguments, and discuss them with the participants. Then ask the following question: “Is innovation really crucial and vital to a company?” Ask each responding participant about their supportive argument and discuss it with the rest of the class. Write down the answers on notepads to let everyone see.</p>	45’
<p>Question 2: Should Murat Bey accept the job offer? What would you do if you were in his shoes? Ask and vote this question in the classroom. Please note down the number of positive and negative answers. Divide the class into groups according to the numbers. Ask each group to come up with at least 5 arguments explaining why they respond negatively/positively and tell them to write them down on post-it notes. Then ask every group why they accept/reject the job offer and start a discussion by asking the participants what they think.</p>	30’
<p>Question 3: What should be the starting point of Murat Bey's innovation efforts? Divide the class into groups of three. Ask each group to determine and write down 4 next steps for Murat Bey to take. Then invite each group to present their work.</p>	30’
<p>Conclusion Revise the following topics when wrapping up.</p> <ol style="list-style-type: none"> 1. How companies adapt to the changing market conditions 2. The significance of R&D and Innovation 3. Human resources support for R&D 4. A company’s adaptation to innovation when it is hardly familiar with the innovation culture 	5-10’

Discussion:

Providing Information about the Case

The audience must be provided information about the establishment of GECA Tekstil as well as the conditions faced by the company, textile and clothing industry during the early 90s and 2000s.

Question 1 - Do you think GECA Tekstil's search for innovation is justifiable?

After asking this question, tell at least 5 participants to answer it and discuss it together. Also, divide the board into two to write down and list the supportive arguments and counterarguments on two columns.

Then ask the following question: “Is innovation really crucial and vital to a company?” Ask each responding participant about their supportive argument and discuss it with the rest of the class. Write down the answers on notepads to let everyone see. Then evaluate the answers based on their numbers. Then ask and vote the same question to the entire class: “Do you think GECA Tekstil's search for innovation is justifiable?”

Innovative and strategic changes always help individuals or companies stand out amongst their peers in all the fields of life. That’s why this part should be wrapped up with an emphasis on the importance of innovation culture for a company.

Question 2 - Should Murat Bey accept the job offer? What would you do if you were in his shoes?

Tell them about the tough decision Murat Bey has to take after his interview with GECA Tekstil and ask them to raise their hands to count the number of those saying yes or those saying no. Write the number of positive and negative answers on the board. Divide them into two groups, namely those accepting the offer or those rejecting it. Ask each group to come up with at least 5 arguments explaining why they respond negatively/positively and tell them to write them down on post-it notes. Then ask every group why they accept/reject the job offer and start a discussion by asking the other group what they think.

You can conclude this part by pointing out that everyone has a different approach in taking risks, having economic and social expectations and career goals.

Question 3 - What should be the starting point of Murat Bey's innovation efforts?

You may introduce the subject as follows: “Okay, Murat Bey has accepted the job offer but how is he going to deal with such a responsibility? Imagine you are about to be involved in a job and you don’t even know its description. Your boss is talking about “innovation,” a concept you'd never worked on before, and then asks you to submit a report in that regard, outlining which areas to focus on with innovation efforts in the company. Where would you get started in that case? Would you first ask what innovation is or just get to know the company?”

Since it is a subject that requires reflection and discussion, divide the participants into groups of 3, instead of asking them to express their opinion one by one. Ask each group to write down the next 4 steps they think Murat Bey should take. Then invite each group to present their work.

At the end of this part, evaluate the answers and revise the subject that is being referred to the most.

Conclusion

Wrap up the subject by summarizing what the company and Murat Bey are faced with. Then you can conclude the case study by touching upon the following:

1. How companies adapt to the changing market conditions: Explain that GECA Tekstil was able to adapt to the trends by following a list of strategic changes before attempting to work on innovation yet that did not prove sustainable.
2. The significance of R&D and Innovation: To support to the previous remark, point out how R&D and innovation can contribute to the firm and explain that innovative products and services can help one survive in the competitive global market.
3. Building HR support and innovation culture for R&D: What lies at the bottom of R&D and innovation is human factor. Any employee, whether blue- or white- collar, from any department in a company should be able to express their innovative ideas without hesitation. They should feel that their idea is appreciated. This way, the company can achieve added value both internally, for many activities from supplying to sales, and externally, in terms of supplier/customer relations. Therefore, it is critical to build an R&D infrastructure and spread the innovation culture across a company.