

FloriLog Business Case



Commissioned by
TransForum

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Introduction



Early 2005 TransForum approved the proposal of Platform FloriLog and a group of scientific institutes to start a project called “FloriLog regie, development of the international orchestral competency in the horticulture sector, with an emphasis on potted plants”. This project was co-funded by Productschap Tuinbouw.

Objective:

“How to transition the Dutch horticulture sector into a leading and directing role (orchestration) within a sustainable international service network?” as well as the “development of the international orchestration competency” itself.



What made this project special?

- Project is considered a success, however ...
- There seemed to be no common agenda at the beginning of the project
- Ownership seemed not equally distributed and had elements of competition
- Business participants had no clear question to the scientists

- Defensive starting point
- Insight during the project lead to paradigm shift
- Coincide with unplanned events
- Creating an offensive challenge for the participants

This business case captures and describes this three year process, its results and the most important lessons learned.

Business Case Review

- Business Case Review by **INHOLLAND**
- Based on 8 interviews with 9 participants
- Part A: Main findings
- Part B: Reflection from interviews and lessons learned
- Part C: Personal reflection on the value of the conceptual outcome



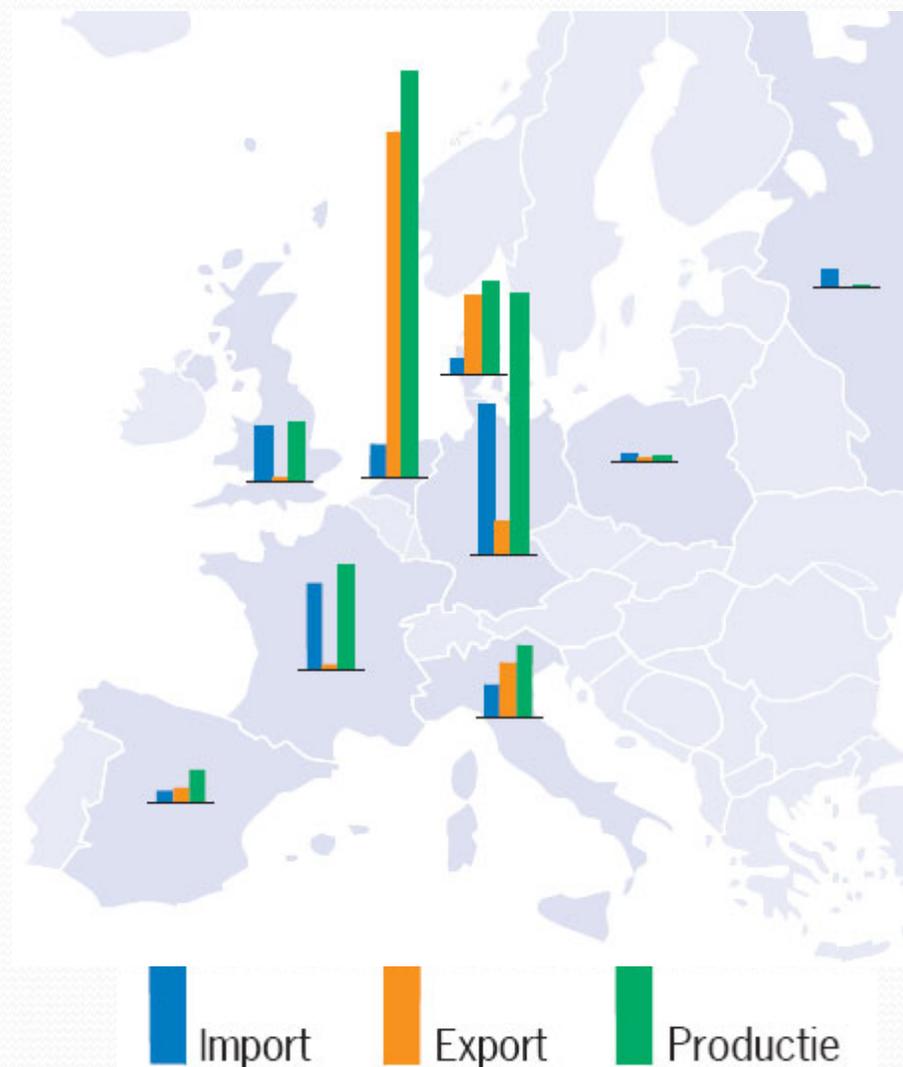
PART A

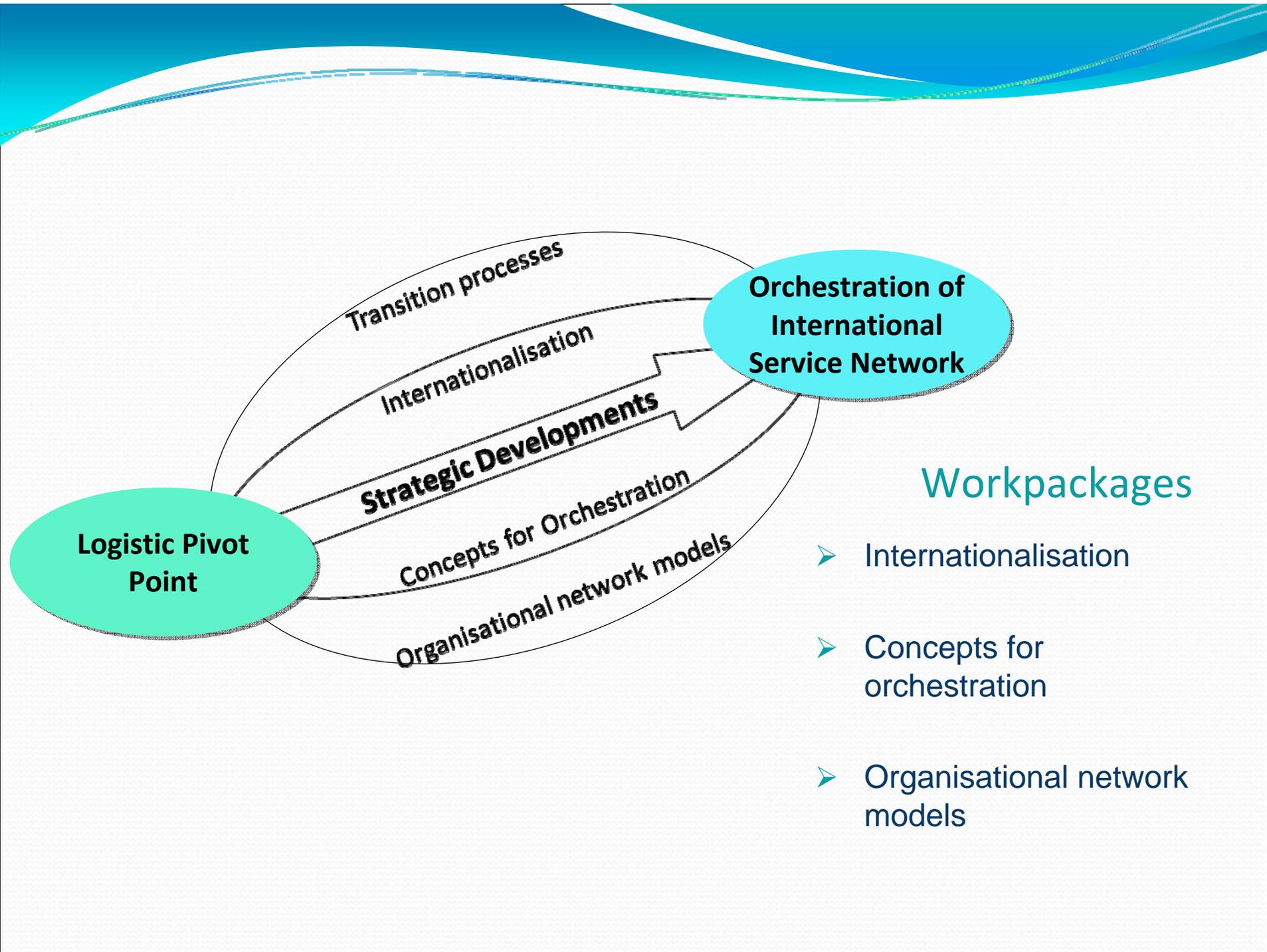
FACT FINDING



Project overview

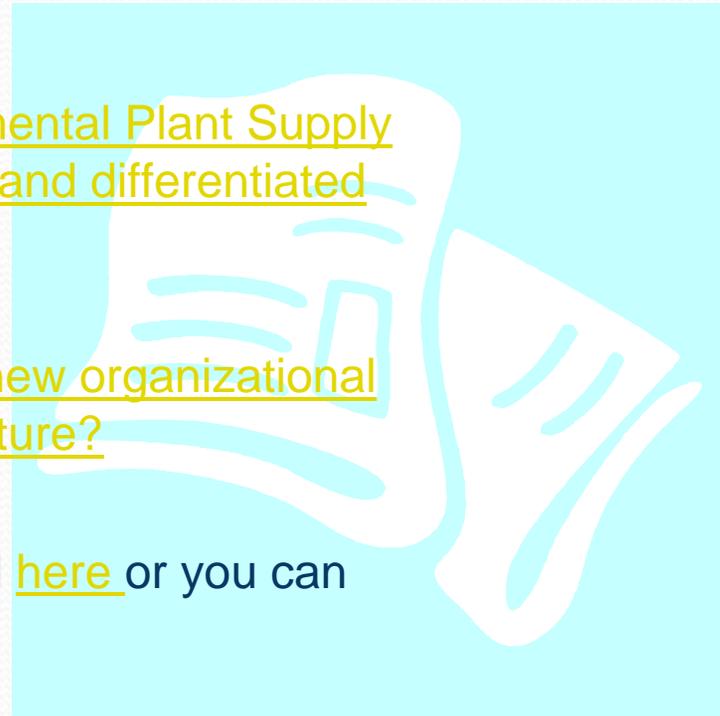
- The Netherlands are not the central pivot point of the global horticulture
- Opportunity to expand business
- Orchestration of physical flows
- An important transition in the Dutch horticulture sector





Position papers

- [Network Orchestration in Global Business Networks: Towards Innovative Products and Responsive Chains in the Dutch Flower Industry](#)
- [Logistics Orchestration in the Ornamental Plant Supply Chain Network: towards responsive and differentiated demand-driven networks](#)
- [Organizing logistic networks: What new organizational forms to implement in Dutch horticulture?](#)
- The position papers can all be found [here](#) or you can the individual links above.



“Exporting the Dutch reputation”

- Opportunity from more efficient logistics
 - European network of Tradeparks
- Logistics, commerce, quality control and overall orchestration



Results 3P: Planet, People and Prosperity



CO2 reduction



Labour opportunities



Knowledge transfer

Sector transformation

PART B

REFLECTION



Start of the project/ ownership / common agenda

- Initial drivers and sponsors of project unclear
- Long lead time before gaining momentum, due to
 - Unequal ownership of the project at the start
 - Unclear definition of typology of the project – discovery versus optimisation
 - Competition between participants
 - Business versus Science
 - Unclear and less effective role of project bodies at the start
- No univocal answer to the question whether participants shared a common agenda and were sufficiently knowledgeable about each others intentions to participate.

“It takes stamina to continue, to keep a firm belief in the positive outcome and to have faith to keep an eye on the long term perspective”.

Project management

Positive elements

- Role of Platform FloriLog strengthened
- Steering Group focussed predominantly on start and finish, in between the Project Group did the main work
- Independent project leader

Weaker elements

- Approach of project leader was not experienced by all as effective
- Strict separation between business and science – unclear whether this was a deliberate act of the project leader or an initial mandate of TransForum

Team composition involves a certain amount of luck of personalities (see f.i. [Belbin](#)). Effective project management will allow for some disharmony, promote informal exchange of ideas, safeguard sufficient preparation of decisions and use the formal gatherings for decision taking.

Science and position papers

- Collaboration of scientists and business participants took a long time to develop:
 - Difficult to get reliable data from abroad, contrary to the expectation
 - Scientists and business people need to find a common language and mode of communication
 - Confidentiality of data was hindering an open exploratory dialogue
 - Requirements for the scientific level of the position papers by the project and TransForum versus a desire for practical outcomes by the business
 - The business people did not really know what they wanted to know, which left the scientists somewhat in the dark
- Collaboration improved by contextualising the initial data and a shift of ownership of the outcomes to the business partners

“When business partners comment that we could have provided the figures sooner, it signifies that at least they accept them as relevant and interesting”.

3P

- Disappointment over the level of tangible CSR outcomes
- Not a theme of the project
- Positive point is the acceptance and buy-in by individuals of the innovative outcomes
- Still a significant task to engage sector at large

“If the net financial result is negative, market parties do not engage”

Role TransForum

Observations from the interviews

- Positive influence, especially with respect to safeguarding the project requirements and keeping pressure on concrete results and quality
- Visibility in Steering Group, invisible for Project Group
- 'Informal project management' due to knowledge of the sector
- Communication not always clear and consistent – learning about her own role

Results that probably would not have been obtained without this Transforum project

- Paradigm shift for participants
- Improved continuity of the sector
- Scientific foundations for project content and outcome

What defined success? Defensive versus Offensive

- High conceptual project topic and context in a very 'down to earth' sector
- Inclusion of scientists “helps to stimulate thinking about the whole chain, not just one’s own position. It reduces the amount of politics in the debate”.
- Notwithstanding the tremendous work and energy that has been put into the project, it seems that a few rather unplanned and unintended events finally created synergy, cohesion, a converging agenda and drive to make it a success:
 - Crisis at the Hortifair
 - Merger of the two auctions, eliminating a significant amount of competition
 - “Aha”-awareness that The Netherlands are not the pivot point of the sector
 - Significant market opportunity in local-to-local markets abroad

The defensive mindset turned into an offensive mindset and that created opportunity, focus and a compelling story

PART C

AFTERTHOUGHTS





Value proposition

- Exporting the Dutch experience
 - How well does this fit local circumstances and cultural settings?
 - Who is waiting for this?
 - How will competition react?
- Translated into the shape of Tradeparks
 - How to orchestrate full service concept?
 - How many partners are actually involved?
- To capture local to local product flows
 - Are local parties prepared to engage?
 - How does competition for local product flows synergize with collaboration?

Molding revolution into evolution

The Flor I log project shows how

- Paradigm shifts
- Innovation
- Radical change

is translated into

- Shared profit driven development