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## Birkman.NL: Crafting The Future

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## **Birkman.NL: Crafting The Future**

Case study on Bachelor level

Reference No. ECASA\_2020\_3 EN

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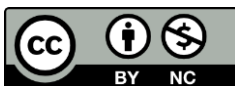
### **Abstract**

Birkman.nl is a small branch of a large US-Based consultancy company Birkman.nl. In an increasingly overcrowded and fragmented assessment market. Despite this challenge, Birkman.nl has maintained a stable competitive position. However, the competition coming from the consulting and software industries has created new entrants and substitutes for Birkman in the European market. Meanwhile, the lack of marketing strategy and budget does not help to address the large heterogeneity in different European countries. The CEO of Birkman.nl Mr. van der Loo is actively searching for new customers in the Dutch and surrounding markets, and, if possible, is looking to enter the Eastern European market.

### **Keywords**

marketing and communication, sales, digital marketing, generation Z, strategic management.

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\*) Thanks to the collaboration and information provided by Birkman.nl and Workwise.

## **A Dutch company with an American root**

Mr. van der Loo has worked closely with Mr. Jan Brandenburg, the founder of Birkman.nl, and the pioneer who introduced the Birkman-method into the Dutch market in 1994. Mr. van der Loo's first connection was a loyal customer of Birkman.nl, and he has worked with Birkman's instruments for more than 20 years as a professional consultant. He is fully convinced by the terrific strength and potential of the Birkman method. In 2017 the leadership of Birkman.nl was transferred to Mr. van der Loo after he purchased the Birkman.nl, and he is since then accountable for all Birkman activities in the Netherlands.

While Birkman.nl is a branch office of Birkman International, Mr. van der Loo sees it a partner that maintains its independence of management and decision making. Birkman.nl is the distributor of all instruments such as certificates, assessment reports, e-learning materials, trainings and workshops, provided by Birkman International for the Dutch market. Birkman.nl is also responsible for connecting all Birkman professionals operating in the Netherlands and representing them in communicating with Birkman International. Maintaining good relationships with these certified consultants in the Netherlands generates sales and turnover. With only one administrative support officer, Birkman.nl works with 185 affiliated but completely independent agents: Birkman-professionals. Mr. van der Loo has increased the turnover from 250k to 390k in 2019. Due to the Covid-19 crisis, the sales have a dropped by 30% while the profit margin has remained the same. The revenue comes mostly from the sales of the assessment reports. A small margin is generated through delivering trainings programmes to self-employed professionals (e.g. psychologists, trainers, coaches, organisational consultants), but also to HRM and HRD managers. These become officially certificated Birkman professionals and are qualified for applying the Birkman method with their clients, using the assessment reports for coaching or HRM/HRD purposes.

## **Birkman International**

Birkman International is an industry-leading behavioural and occupational assessment company headquartered in Houston, Texas with an extensive global reach. The company began assessing personality through a proprietary methodology founded by innovative organisational psychologist Dr. Roger W. Birkman in 1951. In the US the Birkman The ECASA project (2019-1-DE01-KA203-005037) is financed by Union funds (ERASMUS+). But the content of this document only reflects the views of the authors, and the European Commission cannot be held responsible for any use which may be made of the information contained therein.

Method remains a well-recognised instrument for better understanding interpersonal dynamics and achieving higher performance through positive psychology. It is used widely in the fields of career coaching, leadership development, human resources management, and organisational design.

The Birkman Method is a unique methodology of assessing personality and social perceptions as a tool for real-world improvements through positive psychology. It leads the way as the first computerised personality information on an IBM 1401 mainframe. In 1965, Dr. Birkman met Dr. Roy B. Mefferd, a talented statistician and pioneer in the space between psychology and physiology. Together, they establish new levels of prediction and accuracy with The Birkman Method and develop factor analysis to add a career dimension to the assessment. Birkman then moved to an IBM 4300 mainframe to increase the volume and speed of scoring. By the mid-1970s, Birkman migrates to computer punch cards and tape, allowing for higher volumes of assessment processing and faster scoring. The 80s and 90s brought further scientific and technical evolutions to Birkman made possible by the use of PCs and software developers. Implementing the Birkman telecommunication system mainframe enabled more immediate reporting results for consultants and clients, empowering Birkman and Associates to expand globally and become Birkman International in 1994. In addition, a web-based system was migrated for online assessment collection and reporting, improving the customer experience and business value for organisations to optimise human capital when implementing Birkman Method.

Since 2013 Birkman was named a “Best and Brightest Company to Work For” nationally for six straight years. This acknowledgment exemplifies the founding values of Birkman, to empower people and performance through better self-awareness and social intelligence, starting with internal employees. In 2018, Birkman was recognised as a Women’s Business Enterprise National Council (WBENC) Certified women-owned business. WBENC is the largest certifier of women-owned businesses in the U.S. and a leading advocate for women business owners and entrepreneurs.

## **Birkman services and products**

Birkman currently offers a selection of both comprehensive reports and related services. Based on online assessment, there are multiple types of reports that offer extensive information across several categories of interest. Birkman offers solutions that focus on individuals’ careers, either recently graduated students or professionals looking to make a change in career paths, solutions that emphasize leadership development and team effectiveness, The ECASA project (2019-1-DE01-KA203-005037) is financed by Union funds (ERASMUS+). But the content of this document only reflects the views of the authors, and the European Commission cannot be held responsible for any use which may be made of the information contained therein.

through a deep level of Birkman data, with the aim of helping executives with decision making, and more.

Customers pay for the online assessment and the resulted report. If desired, they can pay extra for detailed feedback given by a Birkman professional to explain the results of their online assessment. Most customers prefer to have both the report and one-to-one consultation, because the explanation of Birkman professional helps the customer to gain more insightful knowledge about the definitions, scores, categorisations, etc. A series of workshops and training programmes is also part of the Birkman list of products and services.

### **Birkman reports**

All Birkman reports are based on comprehensive online assessment tools that has been developed consciously in the past seven decades by researchers, academics, and psychologists. For example, Birkman Insight report gives the insight of personality, highlights the top strengths of individuals at both personal and team level, helps to understand positive differentiator and potential challenges individuals may face in the workplace.

Birkman Mindset report focuses on helping employees to improve their working approach and manage their relationships with others by understanding their mindset that reveals the drive the “why” of working and living. Uncover strengths, different perspectives, and blind spots by understanding how and individual’s attitude will influence those they work with, from both a positive and developmental standpoint. Also, for leaders and executives looking to understand new ways of thinking and confront the pros and cons of their own filtered reality, Birkman Mindset reports and associated e-learning tools and workshops help to manage their image in the workplace and enlarge the impact of their positive mindset may have on their team performance and decisions. Birkman Mindset is a revolutionary product because it uncovers the deeply rooted set of attitudes that impact everything we do.

It is worth noting that the report of each individual employee is his/her own property, the employer will not have access to this information without the permission of the employee.

### **Employee development program**

This training programme is designed for self-employed individuals and staff-level employees. As a result of this program, organisations can expect to increase employee productivity and engagement, as well as teaching the foundational skills needed for aspiring managers. Individuals will learn to expand their self-awareness and maximise their ability to self-  
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manage—two key pieces of emotional intelligence. Core themes taught across five engaging sessions include emotional intelligence, accountability, personal branding, and self-coaching. Improving employee’s self-leadership can help organisations prepare individuals before being promoted to manager positions and allows organisations to better retain top talent and promote from within more often. As stated by Sharon Birkman, the current CEO of Birkman International

*“Our goal of the program is to empower individuals to strengthen their performance by pairing Birkman’s rich behavioural insights with relevant development tools. Future success starts with strengthening the talent across your entire organisation—beginning with individual contributors up to the executive team.”*

### **Birkman Signature Certification**

Individual consultant can develop their skills in implementing Birkman method by obtaining three levels of Birkman certificates, namely Birkman Certified professionals, Advanced Certified Professionals, and Master Certified Professionals. When Birkman assessment is applied to more employees and managers within an organisation, the individual reports together can reveal the collective strengths and self-awareness of a team, or business unit or even the whole organisation. In 2016, the Birkman Signature Certification is developed to create a more holistic understanding of mindset and personality within an organisation. Birkman Signature Report becomes the organisation’s central product of in-depth personality data that can tackle all levels of organisational needs ranging from executive coaching & strategy, team dynamics, stress management. Employees and managers can learn how to help different personalities on a team develop an appreciation for each other’s distinct strengths and resolve workplace conflicts with deeper understanding, patience, and finesse.

### **Birkman learning events and conferences**

Birkman Learning Events and other self-paced and interactive online courses cover a wide range of Birkman topics aimed at advancing consultancy competences and life-long education. From Birkman basics to advanced component combinations, consultants can access these materials they need to grow their knowledge and coaching fluency. These learning events range from beginner to advanced levels, and they help HR managers inside organisations and independent consultants to advance their knowledge and skills from industry experts.

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## **Birkman User Group and Professional Consultant Network**

These are their networks and immerse themselves in a community of like-minded professionals. Birkman user groups (BUGs) aim at accelerating professional growth, expanding understanding of The Birkman Method, and providing insider access to innovative and thought-provoking assessment information. Led by experienced consultants around the world, BUGs operate at local level, meet to provide Birkman support and discuss the suite of Birkman products and how they can apply to create desired outcomes.

Birkman Professional Consultant Network (BPCN) is an international network of well-trained Birkman consultants who have experience with interpreting assessment data and can provide suitable solutions for the needs of organisations. This network connects 10,000 certificated Birkman professionals, trainings and certificates are made available in 23 languages, 5 million people worldwide have been assessed with Birkman method.

## **The strength of Birkman method**

The Birkman Method is a reliable and valid assessment scientifically measuring human interests, behaviours, and underlying motivators. Dr. Roger W. Birkman created the 'Test of Social Comprehension'. His inspiration for the instrument was driven by his war-time experiences, where he saw first-hand that individual differences in visual and interpersonal perceptions impacted pilot performance and learning. Today, the 'Test of Social Comprehension' is now known as The Birkman Method®.

According to the testimonials and reviews upon completion, the reason why Birkman is so effective is that it validates all behavioural styles, emphasising that everyone has strengths to contribute. The Birkman method is a complex set of psychological instruments and interpretive reports that use score profiles to predict significant behavioural and motivational patterns. These patterns are created by asking respondents about their perceptions of how "most people" view the world and comparing those responses with 'self' responses perceptions. Also, with the proper interpretation several Birkman reports can be used together to predict how combinations of personality traits may impact the working relationship of those with different patterns.

The most important competitive advantage is that the assessment is more reliable and insightful compared to competitor assessment tools. This instrument measures human characteristics influencing behaviours, motivations, and perceptions. Describing these deeply-

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rooted perceptions is a core differentiator, as the instrument can tap into how someone is likely to behave and why. The Birkman Method reports on both behavioural and occupational data and leverages a unique methodology for assessing personality through positive psychology, which has the goal of helping people live and flourish rather than merely exist. By understanding the ‘why’ behind the behaviours and personalities employees and managers can make interaction in the workplace more effective. This is merely achieved by comprehensive assessments of the individual’s occupational and interpersonal strengths in addition to consequently address these individuals on how to ‘connect with others’ more effectively.

The 40 dedicated employees keep on enriching the products and services provided to organisations implementing the Birkman Method. 2019 marks the launch of Birkman’s “High-Performing Teams: Building the Foundation” workshop. This is specially developed to help teams better align and collaborate more effectively by applying agile working techniques. Due to the societal shifts cause by generation-since-immigration, the merge of new job titles, etc. all items in the Birkman’s questionnaires are being reviewed and updated to ensure the assessment results will be reliable and true to the conceptualisation of Birkman.

### **The success of Birkman business model in the US is not a guarantee**

The business model of Birkman in the US is focused on the certificated professionals who work internally in organisations. More than 60 percent of Birkman instrument active users in the US are HR professionals working within organisations. They ensure that Birkman assessment instruments such as assessment, reports and certifications are promoted and adopted within their organisations incessantly. However, in the Netherlands 95% of the Birkman instruments users are independent psychologists, trainers, coaches, consultants. They work for organisations, but not within. When the Birkman method was introduced in the Netherlands in the 90s of the 20<sup>th</sup> century, the HR department of most Dutch organisations were more for the administration purpose rather than human resource development. The HR managers were not well-trained professionals with psychology educational background, as it was the case in the US. Therefore, the Birkman method from the beginning was introduced to the consultants and psychologists and has stayed so till today. Given that the Dutch market is structured with very different customers, the use of the same business model from the US is not that simple.

Mr. van der Loo is responsible for the sales and has a strong dependence on these affiliated Birkman professionals who will continuously use the Birkman instruments. He is also responsible for the initial certification, re-certification and supports provided to Birkman. The ECASA project (2019-1-DE01-KA203-005037) is financed by Union funds (ERASMUS+). But the content of this document only reflects the views of the authors, and the European Commission cannot be held responsible for any use which may be made of the information contained therein.



professionals in the Netherlands. After the payment to Birkman International for the assessment reports, the Birkman professional do not pay any commission to Birkman.nl. They have the obligation of maintaining the high quality of Birkman assessment method, but no quantitative obligation of sales and turnover. These affiliated professionals are currently the only sales channel for Birkman products and services in the Netherlands.

Branches like Birkman.nl is responsible for its own independent operation. Mr. van der Loo has managed to increase turnover by engaging more customers within the same segment through the effect of the word-of-mouth. A satisfied customer will be more likely to recommend Birkman's service to their partners and acquaintances. With only two employees and zero-budget for marketing, exploring new market opportunities and using new marketing channels come with many challenges that Mr. van der Loo cannot manage currently.

### **How to sell the Rolls Royce of assessment?**

Within the assessment industry Birkman assessment instruments are valued by experts and even competitors for its high reliability and validity. However, it receives little recognition especially in Europe due to the lack of investment in marketing. Birkman has been a research institution since its establishment, which is also the root cause of its shortcoming in marketing.

The assessment industry has developed tremendously in the past decade. On the one hand there is an increasing recognition and therefore demand for assessment by individuals looking for guidance in their career development, as well as by organisation seeking supports in organisational development and change management. On the other hand, many instruments with less quality have gained market share through active marketing and low pricing strategy. As a result, high quality but sophisticated assessment instrument has lost value for potential customers.

Moreover, a negative image has emerged that assessments have something of a horoscope characteristics and thus untrustworthy. Average customers do not have the knowledge to justify which instrument constitutes a good assessment when every instrument claims to be based on solid scientific foundation. The consequence of having a premium positioning quality, but not yet the recognition, is that Birkman is viewed as more expensive than other assessments, less understandable and more dependent on the supportive interpretation given by a Birkman professionals.

Birkman International has noticed this shortcoming regarding their marketing. Birkman headquarters has increased their marketing investment, but only for the US market. In the

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recent years, tremendous investment has been made in developing new market channels such as apps, that can make the assessment more flexible and available, and also have more direct communications with Birkman professional and their clients. The apps are designed based on the needs of US market where Birkman instruments are mostly adopted within organisation through the HR department of such organisations. The gathered information can be analysed more efficiently, and the results can be sold directly to the organisation without any costs of using external consultants. The app is currently only available in the English language. The large competitors like Insight and MBTI that have invested more in marketing, are gaining clients at a faster pace than Birkman in many European countries.

## **Assessment industry landscape**

### **Direct competition in the assessment industry in the Netherlands**

Three major competitors that operate in coaching, leadership development, and human resources management fields, are Management Drive, Insights, Hogan and Lumina. The first three are the new entrants in the global assessment industry in the past 2-3 decades but have created a strong competition. In terms of validity and reliability, Lumina Learning and Hogan Assessment have the same high standard as Birkman. The Hogan Assessment is also US-based and applies same distribution strategy as Birkman. The market price level of Birkman products is comparable with Insights, Lumina and Hogan.

Management Drives is a SaaS company that offers software that measures and provides insight into what motivates a team or person by using a matrix to represent the leadership styles or organizational culture based on a test.<sup>1</sup> With its 15 employees including its own consultants, marketing managers, software developers, etc. Management Drive is in the same market as Birkman issuing assessment reports and certifications, providing trainings for organisational development and teamworking. This company has two offices in the Netherlands and Belgium, provides products and services in seven languages (English, French, German, Dutch, Flemish, Spanish, and Italian).

Insights is specialised in providing virtual reality solutions to increase the self-awareness of people and improve relationships in workplaces and teamworking environment. It was

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<sup>1</sup> <https://www.managementdrives.com/en/management-drives/>

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established two decades ago and has grown to be one of the assessment market leaders. Insights operates in 25 countries, has a growing community of over 2,000 learning and development professionals in the Benelux.<sup>2</sup>

Lumina Learning is established in 2009, has become a world-leading provider of teaching and learning tools and products for coaching, sales capabilities, emotional intelligence, leadership development, organisational culture, and change management in 40 countries.<sup>3</sup> By using innovative psychometrics technology that reveal people's dynamic personality, Lumina focuses on accelerating collaboration, creativity and problem-solving.<sup>4</sup>

Hogan Assessment, founded in 1987, leads the world in personality assessment and leadership development. With products and services in 56 countries and 47 languages, what began as a small start-up has evolved into the industry leader serving more than half of the Fortune 500.<sup>5</sup> Hogan's assessments are grounded in more than three decades of validated research. The Hogan brand is known by its prestige and quality. While many assessment providers have merged with large corporations, Hogan stands alone as the last of the true independents. Hogan remains an industry leader because of their bold, 'swing-for-the-fence' mentality. The 77 Hogan international partners and 42 distributors operating in over 50 countries in all five continents, are the backbone of their global strategy.<sup>6</sup> They serve as local experts on various products and provide local service and support for Hogan clients outside the US. By leveraging their global network, Hogan is able to deliver world-class service to multinational clients in real time and in their language. Each distributor is staffed by leading industrial and organisational psychologists and talent management consultants that serve as the experts in Hogan assessments.

### **Cheaper substitutes**

Substitutes affect companies because they increase the propensity of customers to choose alternatives that fulfil a common need, although they are not direct competitors, indeed, they are normally considered to be located in a different industry. Software development companies can be a substitute in this industry. Apps such as Clarity, Moonlighting, and Upwork can help to find a consultant or an assessment service provider for a low price. The costs charged by

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<sup>2</sup> <https://www.insights.com/what-we-do/global-offices/>

<sup>3</sup> <https://luminalearning.com/>

<sup>4</sup> <https://2cbbiy1u7mibtte2j1dcwgul-wpengine.netdna-ssl.com/wp-content/uploads/2018/09/Lumina-Learning-Marketing-Brochure.pdf>

<sup>5</sup> <https://www.hoganassessments.com/about/>

<sup>6</sup> <https://www.hoganassessments.com/contact/#hogan-partners>

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these apps is only 20% of the price charged by Birkman. These software solutions are becoming increasingly attractive for SMEs and start-ups with a low budget and low requirement on quality. Birkman is eager to explore a new market segment in the Netherlands which is the university students, however, the purchasing power of this group is much lower than the traditional customers Birkman has served from the business and industry sector. Also the online purchasing behaviour of this group needs a very different marketing strategy than what Birkman has applied so far.

### **Indirect competition from the European consulting industry**

Following the economic downturn within the European consulting market between 2008 and 2010 – in the wake of the financial crisis that raged across the European continent – the consulting industry has managed to recover and return to modest growth. Following an average growth of 3,8% in the consulting market between 2012-2016, the total market value grew from \$85 to \$98 billion.<sup>7</sup> Europe now represents a 29% share of the global consulting market, a share which remained stable in 2019 as other major consulting markets in North America, Asia and Oceania similarly booked strong growth.<sup>8</sup>

According to the data available in March 2020, a *strong growth by Europe's largest consulting markets has lifted the continent's consulting industry to a record high of \$45 billion last year, with European powerhouses Germany and France leading the way. The UK meanwhile saw its growth slow in the wake of Brexit.*<sup>9</sup> In terms of individual countries, the UK and Germany are the largest consulting markets, followed by France. The Benelux countries, with the Netherlands as the largest hub, account for a turnover of \$7.5 billion in 2016, about \$1 billion more than the Nordic region.

Differences between the consultancy markets in West- and East-Europe are becoming more apparent. The consultancy market in Western Europe grew less than half as fast as that of Eastern Europe. Despite a turbulent political environment, Eastern Europe's consulting market has recorded solid growth of around 5% in 2012.<sup>10</sup> And while geopolitical tensions and mixed signals from governments and corporations remain, Eastern Europe's consulting market saw stronger growth in 2017, with the highest level of expansion in five years hitting 7%.<sup>11</sup>

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<sup>7</sup><https://www.consultancy.eu/consulting-industry/europe>

<sup>8</sup> <https://www.consultancy.eu/news/3988/europes-management-consulting-industry-worth-45-billion>

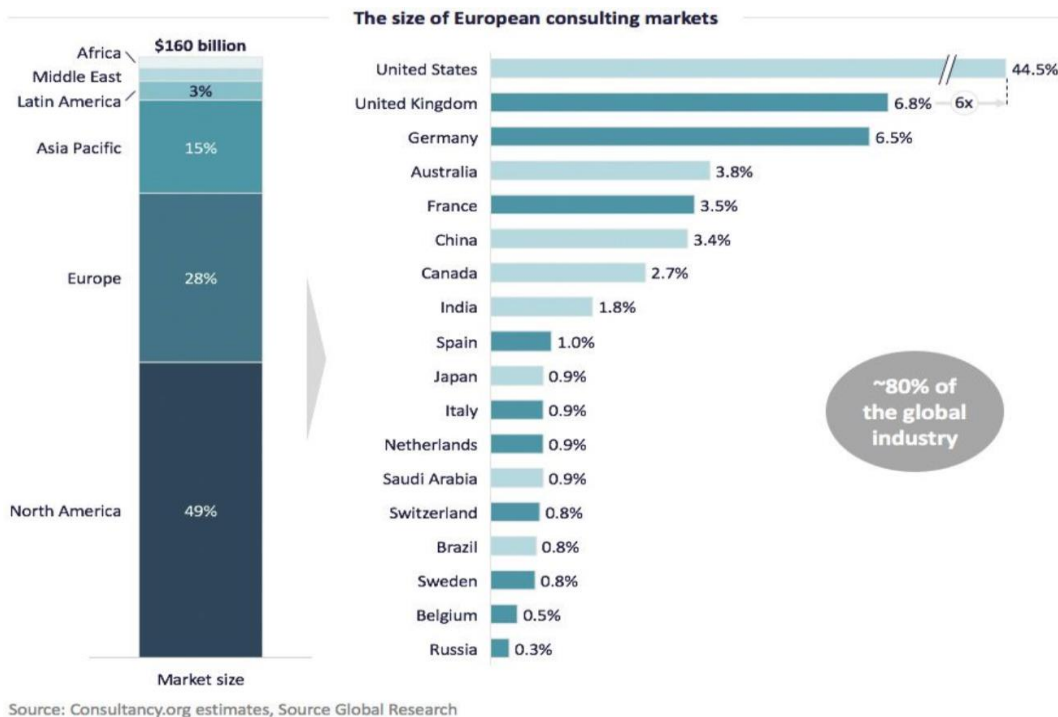
<sup>9</sup> Idem.

<sup>10</sup> <https://www.consultancy.eu/news/1731/eastern-european-consulting-industry-grows-7-market-worth-14-billion>

<sup>11</sup> Idem.

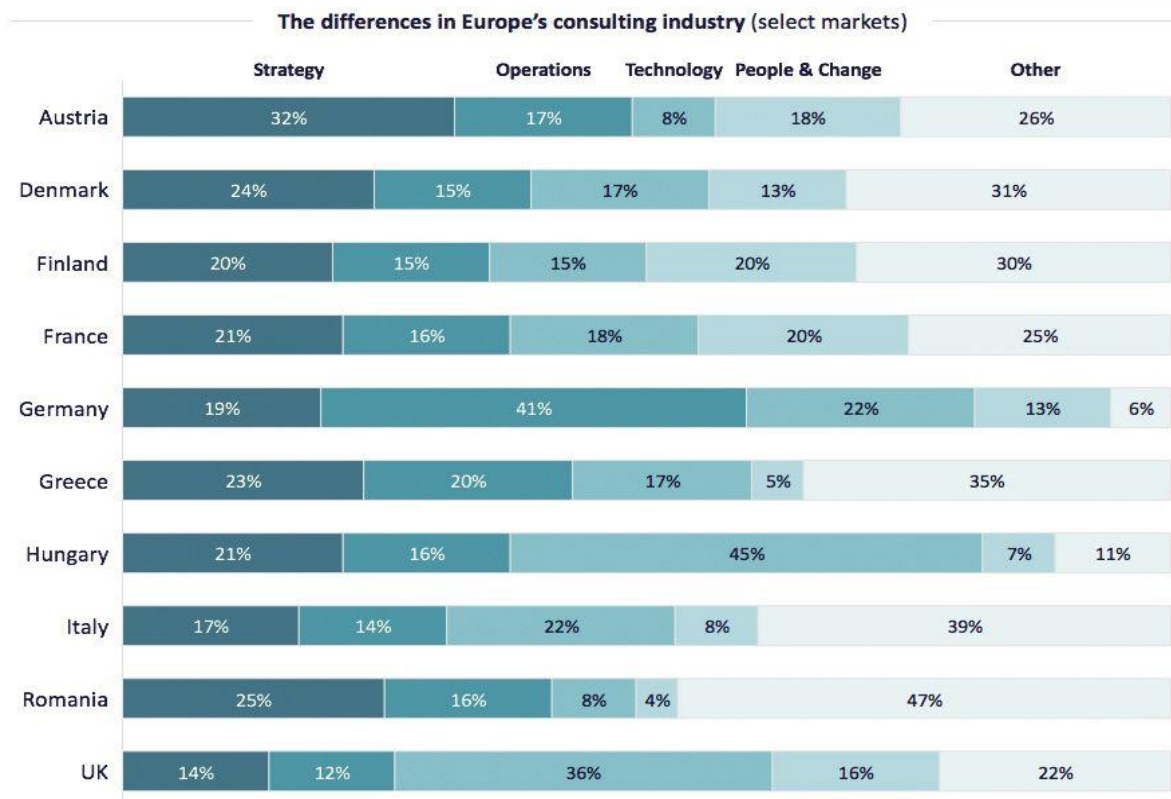
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The competition formed by consulting firms is due to their widespread networks in governments, not-profit sector, and companies. The hired consultants have influence on proposing new developments projects and qualifications needed for new hiring. Birkman started to work with other consultancy companies such as Leaders for Solutions and Workwise. This collaboration has opened doors for Birkman to enter the education sector in joint projects aiming at leadership and personal development.



**Fig. 1** The size of the European consulting markets.

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Source: Consultancy.org analysis, FEACO, ALM

**Fig. 2** Differences in Europe's consulting industry.

### Where lays the future of Birkman.NL?

To ensure the quality standard and accurate assessment procedure, Birkman has an undifferentiated pricing strategy, which is "one product, one price". For each Birkman product and service, a standard price is decided by the headquarter and adopted in all branches. Only in 2019 Birkman.nl started to apply differentiation strategy in pricing: one lower price for the basic report and one normal price for a more elaborated report. Mr. van der Loo would wish a more flexible pricing strategy, but this new change in prices will last for two years. Further changes need to be renegotiated. The possibility of varying prices gives Birkman.nl a comparative advantage: the simplified report is priced similar as other competitors, while the elaborated report will become relatively cheaper. Both types of report guarantee the same validity and reliability.

### Non-profit sector

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The non-profit sector in the Netherlands, in the view of Mr. van der Loo, deserves more attention. The public health care sector has experienced several heavy reforms in the past decades. Declining service quality, increasing work pressure, inefficient management, costly projects, etc. are the main challenges this sector is facing. New approaches for optimising team performance and stimulating collaborations are considered as ultimately paving the way for the next era in public service delivery through building services more quickly, flexibly and effectively.<sup>12</sup>

At present the Netherlands has 69 hospital organisations, including 8 university medical centres (UMCs). These organizations consist of a total of 116 hospital locations and 129 outpatient clinics.<sup>13</sup> Many hospitals struggle to meet demand of their workforce since there are less employees working in hospitals than needed. It is crucial for a hospital to implement effective HRM and HRD strategies to retain existing staff, attracting new one in coping with this problem. The success of a hospital lies within a workforce that is skilled and trained professionally with high motivation and confidence.<sup>14</sup> These are the areas Birkman can possibly contribute.

## Generation Z

The current university student body, known as “Generation Z”, will expect diverse career opportunities rather than one life-long occupation, and are keen to live and work all around the world. Meanwhile, they are more worried about their future prospects, as they are deeply anxious and afraid of the terrorism, extremism, conflict and war that they might find.<sup>15</sup> Mentorship and personal development go a long way with Generation Z because they want to continuously improve their capabilities and appreciate social and gamified reward programs to receive appreciation for their contributions at work.<sup>16</sup> Therefore, university students are more likely interested in identifying, understanding, and developing their personality and talents in order to find their ideal jobs which fit with their personality. There is no assessment instrument specially designed for this group at an affordable price.

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<sup>12</sup> <https://www.openaccessgovernment.org/challenges-faced-by-the-public-sector/53751/>

<sup>13</sup> <https://www.volksgezondheinzorg.info/onderwerp/ziekenhuiszorg/cijfers-context/aanbod#:~:text=In%202019%20telt%20Nederland%2069,116%20ziekenhuislocaties%20en%20129%20buitenpoliklinieken>

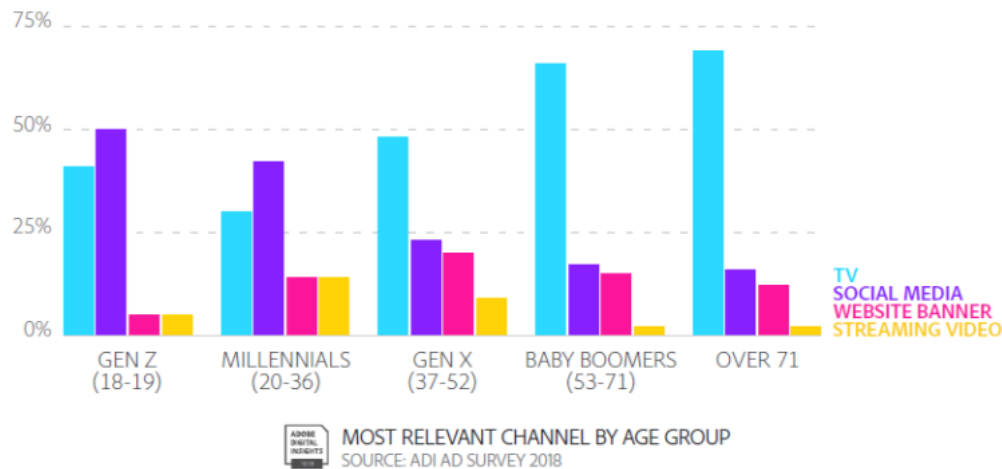
<sup>14</sup> Idem.

<sup>15</sup> <https://www.oxford-royale.com/articles/7-unique-characteristics-generation-z/#ald=df7be7e0-663e-49fe-ba79-c352e2af74a1>

<sup>16</sup> <https://tcinnovations.com/5-unique-generation-z-characteristics-how-to-train-them/>

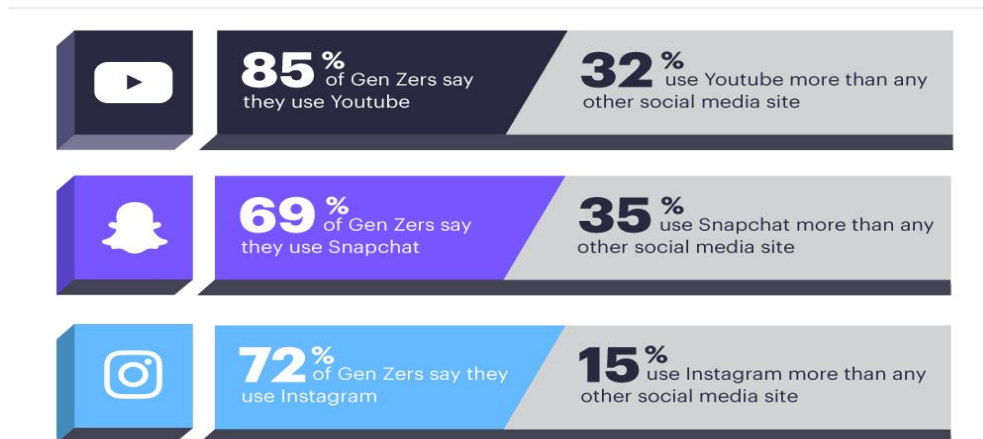
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Generation Z is also called as “digital natives” since social media is identified as their most relevant channel, compared to other generations.



**Fig. 3** Differences in Europe’s consulting industry.

### What are Gen Z’s favorite social media platforms?



**Fig. 4** Differences in Europe’s consulting industry (Source: CampaignMonitor, <https://www.consultancy.eu/news/3988/europes-management-consulting-industry-worth-45-billion>, retrieved on 12-10-2020).

Social media should therefore be the marketing channel Birkman.nl needs, for interacting with university students online, developing connections at a more personal level. In essence, this special customer group cannot be only treated as customers but should be viewed as partners. The ECASA project (2019-1-DE01-KA203-005037) is financed by Union funds (ERASMUS+). But the content of this document only reflects the views of the authors, and the European Commission cannot be held responsible for any use which may be made of the information contained therein.



In addition, social media marketing is more suitable, because it can reach a large audience in a highly cost-effective way. The current Birkman.nl website is only used for providing information, not for the purpose of any interaction. Mr. van der Loo and his colleague post news and make announcements mainly via LinkedIn and Facebook. Although Birkman.nl does have certain social media presence, their audience is very small. On their Instagram page they have only 31 followers, their Facebook page has only 16 followers and their LinkedIn profile has 259 followers. Comparing this to the social media presence of Birkman U.S., Birkman.nl only obtained 1/100<sup>th</sup> of the followers.

When looking at the division of Birkman.nl customer group, the age groups who use the Birkman services are mostly between the age of 51-60 and of 41-50 working in the business field. About 35% of Birkman clients work in the management field and the second largest group works in the Business and Financial Operations field (13%). Additionally, the vast majority of Birkman clients have completed university (92%). This evidence shows that university students can be a high potential customer segment. Generation Z is distinctive and different from the existing customers of Birkman.nl, but not to be ignored.

Age	percentage
21-30	7%
31-40	17%
41-50	24%
51-60	29%
61-70	20%
71-80	3%

## Conclusion

Mr. van der Loo believes that the Birkman method is one of the most valid and reliable assessment instruments in the market. Birkman is unique because it is the only assessment that measures underlying needs, combines occupational and behavioural data in one assessment; as well as examines perceptions and personality in a workplace. Furthermore, Mr. van der Loo believes that the consistent use of Birkman method in several years can contribute greatly to the personal development and team enhancement.

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The challenges Birkman.nl is now facing are related to the perceived price premium of Birkman, the lack of marketing strategy and budget. In an increasingly overcrowded and fragmented assessment market, most customers are not able to distinguish the scientific value of different assessment instruments, therefore they often chose a cheaper option rather than Birkman. The Birkman method is highly acknowledged by experts and colleagues in the assessment industry, but less well-known to customers. Therefore, Mr. van der Loo is working on adapting their pricing strategy and seeking for new opportunities in the market. The public sector is very promising to be investigated, especially the possibility of expansion through the existing Birkman certificated professionals. Another group that can be targeted is the university student, also called “generation Z”. A marketing strategy based on the use of social media is the most important channel to reach this target group.

The possibility of new customer groups and the growth possibility has made Mr. van der Loo excited. However, he still places his emphasis on the 185 Birkman certificated professionals who know the products very well and are capable of introducing the assessment instruments to their large network. Whatever new customer group is chosen and whichever marketing strategy that can be applied, the pre-condition is that it should be feasible for him and the one administrative support staff to cope with in terms of workload and budget.

## Possible questions

For the Dutch market:

- What are the pros and cons of differentiation pricing strategies adopted by Birkman.nl?
- What are the growth scenarios of Birkman when targeting new customer groups and retaining existing customers?
- Which marketing strategy, focusing on which channels, is the most efficient for Birkman to use to target internal learning and HR professionals working for hospitals (or other organisations in the non-profit sector) of the Netherlands?
- How to add value to the existing services and network of Birkman certificated professional to increase turnover?
- How to increase the turnover through which social media marketing channels like social media in attracting university students?

For the European market:

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- Which European countries have the best potential for expansion? Which segment in that country is ideal to target?
- How did the direct competitors create brand awareness in European markets?
- How to increase the turnover through marketing channels like social media? If the marketing communication needs to be carried out in English, how to gain supports from Birkman International? If the language remains in Dutch, is Belgium a possible market to reach with the same social media platform?
- How to expand through the existing network of Birkman professional to other European countries?
- When Birkman expand to new market segments next to the existing consulting business, how to apply diversification strategy?

When answering these questions in discussion or reports, students need to carefully analyse the assessment market and the key characteristics of Generation Z. The answers should be based on market data, facts and figures.

## Appendix

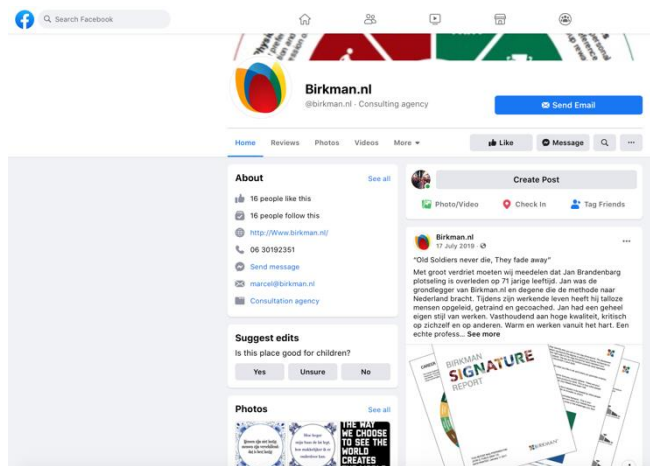
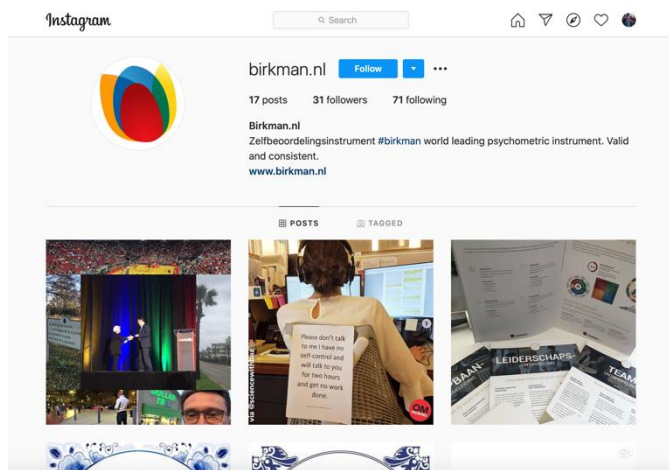
### Appendix 1: suggested reading

Moran, R. T., Harris, P. R., Moran, S. V. (2010), *Managing Cultural Differences*, 8th ed., Taylor & Francis.

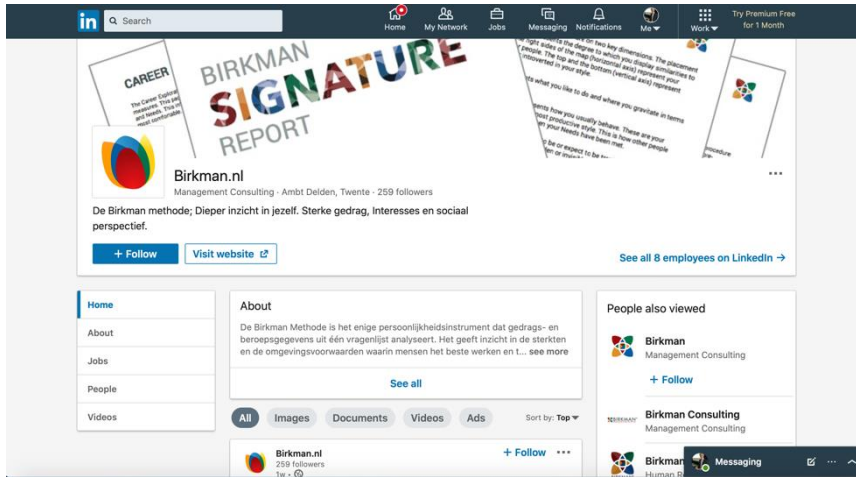
Lynch, R. (2018), *Strategic Management*, 8th ed., Pearson.

Weiner, I. B., Greene, R. L. (2017), *Handbook of Personality Assessment*, 2nd ed., Wiley.

### Appendix 2: Social media presence of Birkman.NL



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## Teaching Note

### Discipline background and target groups

**Discipline background of the case study:** Please define/select the most relevant category

- Strategic management
- Operational management
- Marketing & sales management
- Human resource management
- Supply chain management
- Finance & accounting
- Economics
- Project management
- Other (\_\_\_\_\_)

**General target groups:** Please select all applicable addresses

- UG students
- PG students
- Executive Education
- Other (\_\_\_\_\_)

### Synopsis according to the integrated case method process

This case is about a small Dutch branch organisation of a large US-based coaching company that is looking for new customer segments to target. Information used in the case is collected from Birkman.com and Birkman.nl websites, interviews with the CEO of Birkman, the Netherlands, and an independent consultant who has many years' experience of applying Birkman method.

The core subjects of this case study include marketing and sales management, strategic management, project management. The integration of these subject areas during the teaching is expected to help students to develop an innovation-driven growth strategy for SMEs in the field of digital marketing. This case can be used for in-class discussion and after-class exercise.

This case can be divided into sub-cases that will focus on answering the question of how to enter a target European market (e.g. Denmark, Switzerland), or how to penetrate to a new market segment (e.g. non-profit sector, university students). Students can also learn and practice project management skills when conduct case study in these specific countries/market segments When developing solutions to the case study when developing solutions to the case study.

### Type

This case is a background case, also an exercise case.

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## Format

This case is in written form that can be supported by infographic, video and photographs.

## Teaching objectives, target groups and target courses

### Objectives

This case is designed to help undergraduate students

in understanding the specific characteristics of European SMEs such as flexibility, efficiency and reliability, while also grasping the challenges that European SMEs are facing such as financial constraints, lack of manpower, the relationship between the European subsidiaries and the foreign headquarter. in researching contemporary European business development, e.g. in the transition of combining digitalisation (online marketing) and traditional human resource management & development method (so-called “people business”). In particular how socio-cultural specificities of different European countries can play a role when SMEs develop local market oriented marketing strategy

in applying knowledge from key subject areas to identify new market opportunities, developing market entry strategies and a feasible digital marketing plan for the targeted market/segment.

### Target group

The case is written for undergraduates in year 2, 3 and 4.

### Target courses

The case is especially intended for courses in HRM, international business and management related courses (sales & Marketing, commerce & economics, etc.), can also be used for courses e.g. European business studies, project management.

## Teaching approach/area and strategy/organisation

### Approach/area

The case is intended to teach students knowledge and develop their competences in some of the key function areas of HRM and marketing, and especially concentrates on the following topics: *online marketing & Sales, retention of customers, relationship marketing, HR project management.*

### Strategy/organisation/timing

This case can be provided to student (e.g. one week) before the class discussion. Two websites Birkman.com (in English) and Birkman.nl (in Dutch) contain of rich information about its history & achievements, customer’s reviews, product/service portfolio. Students are required to study this information together with the case text.

If there are more teachers involved in teaching this case in the same period, they are encouraged to study this case together and discuss the possible questions and answers from various perspectives according to the relevant subject areas. The joint preparation among

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teachers can take 2-3 hours. The goal is to ensure the integrated approach to the case when leading discussion with students.

For in-class discussion: 3 hours session in-class

- 1 hours discussion about the case: clarifying issues, identify key issues
- 1 hours working session for students: case analysis, possible solutions
- 1 hours short presentation of students ideas: cross check the solutions, compare and contrast, lead to the selection of the best possible solutions.

For after-class exercise:

Students can work individually or in a small team (3-4 students) to study the case by themselves, and then hand in a report describing their findings and proposed solutions. Time required for individual-based case study and report writing is estimated about 10-12 hours.

Teachers may choose to use the presentation or idea-pitch workshop for giving feedback to the class based on the reports.

A typical structure may be the following:

#### 1. **Case briefing:**

Students should prepare the case study before the class. Depends on which level of students (year 2, 3 or 4) and the requirements of learning objectives (in-depth reading or scanning) the time needed for reading this case can be 1 to 3 hours. Students should also study the company website in advance. If students already formed a team, it is important to discuss the questions and possible answers together before coming to class.

#### 2. **Case coaching:**

We suggest to having at least two teachers to coach students in this case study, one teacher from the marketing subject area, another one from the HRM/HRD perspective. Especially for the social media marketing, the expertise can be helpful for students.

For the teaching purpose, two coaching sessions are suggested. In the first one session students will have interactive discussion with teachers about their questions, findings, possible options. This session is meant for generating ideas, identify key issues and most feasible options. The second session will be used for group presentation of final solutions.

For the exercise purpose, students need to study the case independently without the standby support of teachers. After handing in reports (either individual or group), one coaching session is suggested to give students feedback and stimulating the interactive learning between students.

#### 3. **Case work:**

See suggestions above.

#### 4. **Upload of analysis results:**

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The best analysis results of the case study can be uploaded in ECASA Platform as example of suggested solution after the ECASA case competition. Regard to whom the access can be given to these examples it will be discussed by partners after the ECASA case competition.

### 5. Case presentation:

Case presentation can take the form of case competition or in-class presentation. The presentations should be uploaded on the ECASA Platform following the format of:

ECASA Ba-casepresentation-XXXX(case company)-YYY(university's name)-ZZZ(class, group number, or student name)

One the first slide the same information needs to be stated too.

## Evaluation/Grading

### Evaluation criteria

Evaluation shall take place based on the following criteria (e.g. creativity, rigour, analytical level, presentation technique, communication skills, solution orientation, practicability, problem definition, implementation, contingency etc etc.) that are needed to be taken into consideration in the evaluation. In addition, an indication of the weighting with which the individual criteria should be included in the evaluation. The following format serves as an example

Evaluation criteria	Weight
[AN EXAMPLE:]	
Analytical level	High (10)
Creativity	High (10)
Communication skills	Moderate (5)
...	...

### Assessment structure

Grading shall take place according to the following assessment structure: [A typical structure may be the following:

Maximum number of points achievable, thereof for 100

- Case research: max. xx points      v
- Case presentation: max. xx points    w
- Class participation: max. xx points    y

...      ...

Final graduation:  $w + x + y + \dots = Z$

### Achievement level and grades

Percentage Score	Grade	Grade Definition
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[A TYPICAL SCHEME MAY BE THE FOLLOWING:

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97%-100%	A <sup>+</sup>	Excellent
93%-96%	A	Outstanding
90%-92%	A <sup>-</sup>	Outstanding <sup>-</sup>
...	...	...
< X%	F	Fail

### Recommendations

Make it clear on which achievement level the following grade definitions were reached:

- Excellent to outstanding [e.g. for A<sup>+</sup>, A, A<sup>-</sup>]
- Good to very good [e.g. for B<sup>+</sup>, B, B<sup>-</sup>]
- Satisfying [e.g. for C<sup>+</sup>, C, C<sup>-</sup>]
- Sufficient [e.g. for D<sup>+</sup>, D, D<sup>-</sup>]
- Unsatisfactory (fail) [e.g. for F]

Differences in the level of education and experience, e.g. of bachelor students and postgraduates, should be taken into account both in the weighting of the evaluation criteria and in the requirements.

### Solution outline

#### Recommendations

At this point, a solution sketch should be provided.

Address the following questions in particular:

- What are the essential learning outcomes that the participants should achieve?
- How strongly should the discussion, results and approach be structured? What degree of openness and unbiasedness should be pursued?
- What would an ideal sample solution look like?