

## Interview with Enric Casi



# Mango: the secret are the people

MIQUEL RODRÍGUEZ

Enric Casi was born in Barcelona in 1956. He started working very early, combining his job with secondary and university education. He graduated in Business Science at the University of Barcelona and obtained later the title of an auditor, becoming a member of the Spanish Institute of Statutory Auditors and of the Official Registry of Account Auditors (ROAC).

At the age of twenty-three, Enric Casi started working as a consultant, through which his relation with Mango began. In 1996 he was appointed general manager of Mango. He currently shares this office with that of advisory partner of the MANGO group, the board of which was established in 2007.

Since 2006 he is a board member of the Textile Industry Research Association (AITEEX). In 2007 he was elected Manager of the Year 2006 by the Spanish Manager Association (AED). Enric Casi holds lectures at different conferences and MBA programmes organised by universities and other institutions.



«We live in an international environment full of risks and opportunities. In order to act on these challenges, our organisation fosters humanistic values and respect for nature and the environment as well as innovation and working pragmatically and in cooperation with society.»

Enric Casi  
in the 2006 Mango  
*Sustainability report.*

*While we sit down, Enric Casi gives three data to start with, in a very natural manner and without giving too much importance to it:*

- ▶ 1,100 shops worldwide
- ▶ Footprint in 110 countries
- ▶ People of 32 nationalities working at the headquarters in Palau de Plegamans.

*The first Mango shop opened on the Passeig de Gràcia boulevard between València and Mallorca streets in Barcelona in 1984. It was the alternative the Andic family considered then appropriate to bridge the difficult spells between good and bad years in wholesale business.*

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*They applied the maxim of «let's sell before others do it». One year later Mango already had five shops. The first one outside Catalonia was in Valencia. In 1992 they went international, opening the first shop in Portugal.*

*It is half past four in the afternoon when this conversation starts in a very roomy office around a big round table full of history.*

### **What is Mango innovating in?**

Given that our company is in the garment industry, we are selling fashion. As innovation in tissues is up to our suppliers, we realised some years ago that what we needed to do was to innovate processes.

We firmly believe in it and it is so important to us that we are having right now over 230 employees working to innovate our processes. This is an exciting task I feel fully identified with. In this team there are telecommunications engineers, computer engineers, analysts and professionals from many other fields. All this team works to innovate all business processes.

Our goals are:

- ▶ To do what we do within the minimum possible time
- ▶ To do what we do at the minimum possible cost

As you can imagine, these two objectives feed each other, since if we improve time we will reduce costs. The second big package of tasks is to analyse, create and implement new processes as we opened 152 shops in 2007 and the forecast is to open further 220 in 2008.

The complexity of all this is apparent as it means that if we keep this pace of growth, we will open over six hundred shops within three years, which most probably will force us to think about changing the way we do things.

*Enric Casi talks with passion about this aspect of process innovation and the benefits working along these lines has been bringing to Mango for years. It is the passion of enjoying work. After all, his relation with Mango started quite many years ago as an external consultant.*

### How do you implement a new process?

I am lucky to have day-to-day business delegated, which allows me to be permanently involved in seven, eight or nine new projects. Each one has its own starting team. The three departments of the company meet, we are about sixty people, and computer engineers have a big say. Here the whole creation process starts.

### All right, but what tools do you have so ideas may flow?

Well, we have one single tool and one single way. We firmly believe in our people, we listen to them, their opinions are more than valid, and they finally reach those who have to take decisions. This mechanism is applicable to both simple and everyday things and the more sophisticated and sometimes invisible ones.

### Although you already referred to it, in how far is IT important in a fashion company?

It is merely capital, as we often develop own processes and we do not use what is out there on the market, since to us the detected improvement does not need to be operative within three or four months, which we only achieve if it is us who do everything.

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*Enric Casi interrupts momentarily the interview and explains what the company's dream is: **To be present in all cities of the world.** In order to fulfil this dream, he describes the three Mango pillars:*

- ▶ **People:** Teams with a high human quality and a solid, open and flexible mentality
- ▶ **A concept:** A well defined product, born from the cross-relation between own design, stylishness and quality, a clearly identified target - dressing women



▲ Mango in New York. 1,100 shops worldwide. Footprint in 110 countries.

*according to the latest fashion trends, for both their everyday and occasional needs – and a consistent and unified brand image*

- ▶ **Own technology:** As a base to logistics, improvement of all business processes and information systems, developed by a great team

*And on top of it: **MANGO is humility, harmony and affection.***

*For a moment, I felt carried away from the business world and the implications of the production process. I feel totally identified with his words and proud that an international company from our country sets people and their welfare above everything else. After all, Mango has an ethical code that applies to its whole organisation.*

### Which process of all those you have innovated do you consider to be the most relevant?

I could fortunately mention quite some but I will focus on a process we created, in which all those



handling our products intervene. Tissue manufacturers, clothes makers, logistics centres, shops and management stay in permanent contact through a communications network we created out of an IT platform, Oracle. With this procedure, we achieved that the product comes out of the manufacturer and goes directly to shops, branding, labelling etc. without passing any distribution centre of ours.

We send the information, the barcodes to control the product. In a word, we do the follow-up of the whole process and I can proudly say that we are the only company in the world working this way.

Working with Oracle means that all people participating in all our processes are linked to our IT systems on this platform and able to exchange data and information without any need for using all the same computer technology as the platform translates it all into a common language, after which everyone takes it to their own system.

### We achieved that the product comes out of the manufacturer and goes directly to shops, branding, labelling etc.

Like this, everyone leaves and takes information from this central common node as long as they are authorised to do it according to our own internal codes. For instance, a shoemaker from Elx or China is allowed to see how the shoes they have made for us are selling. So if they want to do more business with us, they can anticipate and start a part of the production process before we pass them another order. It is about what I said before, saving time.

This project was really very, very complicated as initially, when we started working on it, our own people, our computer engineers, put us before big questions in order to deter us from going forward and tried to demoralise us. But they did not manage to do it, as you can see.

### How did you fight against this situation?

By fostering and rewarding innovation, just as vendors obtain incentives. It is an error that a company or a country does not give incentives to innovation. So the department developing this project needs to be very motivated, otherwise it is very easy to give up.

In other words, when a project is finished and it is successful there is enough incentives for everyone having collaborated. Researchers not only need to be personally but also financially motivated. In our case, the heads of department are often the drivers for improvement since they are eventually the main beneficiaries.

Innovation is pressure as there are many barriers to overcome, and you only manage that if you really force people. As I said before, I am directly involved in processes and in this particular case we started working during working hours in other countries, for instance the American logistics operators with which we do business. And this real-time pressure accelerated the project. Anyway, it took us three years to finish this integration project successfully.

### Do you manufacture clothes or are you creating collections?

We definitely create collections! This is one of our characteristics compared to our competition. We want all clothes to fit with each other. A girl or a woman comes to us and feels that we are like a boutique.

We are big, but we do have a *boutique* mentality. This requires a very strong logistical drive as we sell collections, not clothes.

*Enric Casi clearly tells that initial innovation comes from transforming the product to be sold from clothes to collection and from chain store to boutique. However, to make this product innovation feasible and implement it at a large scale, processes need to be innovated in order to allow two things: first, that each*



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*shop of this big global company is perceived as a unique boutique; and second, that prices are affordable for a large number of potential buyers. It is about reducing the reaction time as well as production and distribution costs.*

**I assume that you also apply innovation at the points of sale?**

Of course, what happens in a shop provides us lots of information that is of great value for taking decisions. We have hundreds of parameters measuring and analysing different inputs and giving us extremely valuable information.

*As we are talking about the innovation factors implemented by Mango, we once again come to speak of people, the working climate and what helps or hin-*

*ders innovation at a company. I think we can say that Mango is globally innovating and cares about having a good working climate and according financial compensation for such attitudes. This drive is so big that Mango implements a process called «If I was the president» twice a year, in which people make contributions at all levels. Enric Casi almost confirms this impression of mine when he tells me that almost 80% of proposals from the staff are finally implemented.*

*Companies are definitely their people. We go on talking about behaviour and Enric Casi speaks about people he colloquially calls weirdos. His assertion sounds great to me: «Weirdos need to be protected.» His experience has taught him that if you do not act this way, managers having such people under their responsibility usually sack them, and he knows that*

*weirdos often give great things to the company. We come to the conclusion that innovation always requires a proportion of brilliance and adequate assistance needs to be given for everyone to develop their genius.*

**We come to the conclusion that innovation always requires a proportion of brilliance and adequate assistance needs to be given for everyone to develop their genius.**

**What role do you think training has in innovation?**

Training is crucial. It is a big pity that, as a country, we are doing that badly in training our people. I keep to what studies say, but I can also corroborate this as a company. We select people at international level. The binomial Barcelona-Mango is a factor of attraction for young first-class people between twenty-five and thirty from all over the world, people who then have the opportunity of making progress within the company because we always intend to fill the highest positions with people coming from inside.

However, there is a clear difference between a young person from here and an Anglo-Saxon. Anglo-Saxons know that improving society and creating wealth is originated in companies and they know this from their childhood. This view is despised here, it is not told although it is true, and this causes that somebody from our country only starts seeing it when they are thirty. Here is one of our country's drawbacks.

*Enric Casi says that he does not want to give political opinions, but he cannot help saying that we have two shortcomings as a country: our people's education and infrastructures. He asserts that infrastructures are awful and no goods can be shipped by air nor rail as there are no tools in place to do it efficiently.*

*He says that ships coming from the East prefer to sail four more days and go to Holland, to Amsterdam in-*

*stead of Barcelona because over there is a good and efficient network to distribute goods.*

**And what would you do to solve that?**

First of all, we need to identify what is important for companies and act accordingly. How comes that 80% of goods coming from China go through the Mediterranean but only 20% of the ships call at any of its ports? How comes that people are not fluent in English?

*It is now over fifty minutes since we started talking, and Enric Casi's telephone starts giving alerts of the things he has to do after the interview. However, he proceeds with the conversation, he looks passionate, and we start having a look at the features of the different countries where they work. I realise that Mango is not going to expand a lot in South America.*

**Do you have any relation with technology centres or universities? How do you see the relation between universities, innovation and companies?**

We are members of AITEX and I am a member of its board. It is the Textile Industry Research Association, based in Alcoi. All tissues we use pass that institution to be checked and certified. As to universities, it is the market that gets them to work and I think that something should be done to give them incentives, otherwise there will be no innovation at all as they tend to do business as usual. This is probably the reason for dissent between companies and official structures.

**How do you think is innovation treated from a tax point of view?**

Above all, things need to be clearer. There is ambiguity, you never know what tax authorities consider innovation and what not. It often happens that it is eventually up to interpretation by the tax inspector. If a company expects to sell X and they do not get there, they look for tax allowances for R&D&I to meet expectations. This does not help companies to innovate.

*Enric Casi comes back to the human factor:*

If we accept the people's different points of view, we add on each other. This is what we try to do at Mango every day. To get there, we need human quality, humility, harmony and affection, and this has created a favourable climate for creativity. It is necessary to mix different people and by doing so we innovate and are clearly better.

**As to universities, it is the market that gets them to work and I think that something should be done to give them incentives, otherwise there will be no innovation.**

**What advice would you give to Catalan companies wishing to go international?**

I think that a company needs to have a balanced double profile: on the one hand, the organisational technical profile and on the other, creative people. These two parts need to be balanced and none must prevail above the other. They also need to know how to delegate and give responsibility to others. Once again, human quality within the team is important. You need to watch whom you include into a team as a bad choice can damage all the work done.

*Enric Casi finishes talking about the virtues of his president and says that Mango would hardly have been able to implement these values and principles if Mr Andic had not given good example. We have been talking very nicely for over ninety minutes and have taken a long time to talk about what innovation and internationalisation means to Mango. At the end of the conversation we came back to the origins. Or rather, to the origin of all that is us, the people.*

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