



# CASE STUDY

## Reconstruction of Georgian industry

### The task

The independent state of Georgia has one of the fastest growing economies of the ex-Soviet Union. Despite this, the industrial base has suffered from neglect, the infrastructure requires significant upgrading and many of the personnel do not have the skills necessary for the transition to a market based economy.

Tangram was commissioned by the World Bank to assist a private Georgian company make the transition and to guide them in how to apply new methods of production and sales.

### What we did

Tangram visited Tbilisi initially to investigate the market and start work with the company.

Initial visits showed that the major concern was not simply with production but also with marketing and sales. Tangram helped the company to create a new marketing plan and to develop this with the staff. Tangram also helped the company to develop consumer finance initiatives to increase sales to consumers.

Production improvements required completely new machinery and Tangram advised on machinery selection and purchase to meet the market and production demands.

A return visit by a delegation from the Georgian company was arranged to the UK to view production methods and production management in the UK. This provided the managers with new ideas on production management to meet changing market needs. Master classes were provided to all the managers to equip them with the management skills necessary to operate modern factories and to meet rising consumer demands.

Tangram remains an advisor to the company for marketing, production and management issues as they arise.

### The benefits

- The company now has a firm plan for the marketing efforts and direction necessary to increase sales.
- The company is developing consumer finance initiatives to increase sales of products.
- The company has purchased all new machinery to produce according to the new production methods.
- The company and staff have new ideas for production management and production skills.
- The company has made valuable contacts in the West for technology transfer and purchasing.

### More details?

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