

## Eurofirms: Difficult Decisions

Josefina Lagos  
Miguel Ángel Ariño  
Mireia Las Heras

One afternoon in June 2017, Miquel Jordà, who was still at his office in Cassà de la Selva (Girona), suddenly jumped up from his seat after receiving a fourth email with complaints about the Area 2 sales director. This time the email came from Pablo, the office manager in Málaga, and he was asking for help: Juan, his immediate supervisor, was once again creating problems with his aggressive and impatient attitude. Jordà couldn't help but think back on all the efforts he had put in over the years to treat everyone with respect, to slowly build a pleasant and comfortable working environment. He suddenly hoped this might all be a dream – if he could only wake up. He debated about what he should do this time around. The achievements in sales growth and customer service in Juan's area were outstanding; his relationship with the team, however, left much to be desired. Maybe it was true what a consultant had once told him when there were just 60 people at the company, that the culture would only be feasible "up to 100 employees."

### Eurofirms

Eurofirms is a human resources company that began operating in 1991, offering temporary employment services from two branches located in Girona. It closed out 2017 with a total of 95 offices scattered throughout Spain, Portugal and Holland, where a team of more than 500 professionals served approximately 3,000 client companies and there were plans to expand the business into other countries as well.

Eurofirms' sales reached €351.5 million in 2017 and presented steady growth over the past years, as shown in **Figure 1**.

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Case prepared by Josefina Lagos, MBA 1998, under the supervision of professors Miguel Ángel Ariño and Mireia Las Heras. June 2018.

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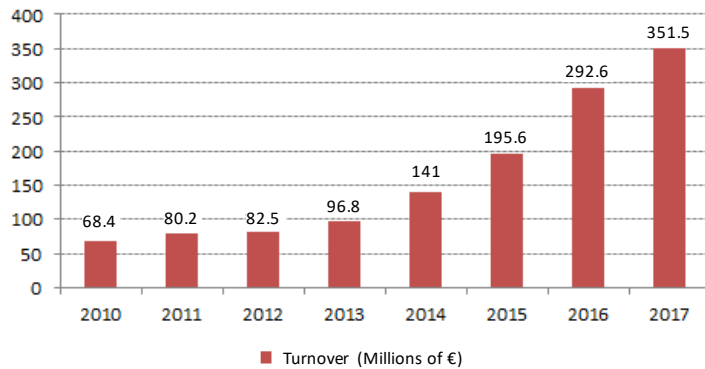
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Last edited: 11/19/18



**Figure 1**  
**Evolution in Turnover of the Eurofirms Group**



Source: Document provided by the company.

Jordà believed these financial results were due to their People First culture and carefully planned and implemented strategy and operations. Until 2017, the main service provided by the company was temporary employment (see **Exhibit 2**), which by midyear represented a volume of activity reaching 15,000 temporary workers placed at client companies each day. Nevertheless, Eurofirms continued to diversify its services while maintaining quality to enhance growth.

Surprisingly, the modern and welcoming back offices where around 100 people work are not located in a city, but in an industrial estate in Cassà de la Selva, just a few kilometers from Girona. As one executive points out, “Workspace is more affordable here, the surroundings are more enjoyable, and its easy to access and park.”

### **The Owner**

Jordà joined Eurofirms in 1997 as a minority shareholder after leaving his own food-product distribution business and having previously worked as an executive at a sausage company in Girona. At the time, Eurofirms was a small temporary employment agency (TEA) in Girona. Years later, he is now the company’s sole shareholder and CEO. He was born in 1964 and, for many years, his family lived in Cassà de la Selva (Girona), where his father worked the land. Despite traveling frequently, Jordà still lives in the house where he grew up. He has a garden and farmyard where he can disconnect and enjoy his free time with his two children.

He graduated with a degree in agricultural engineering from the Universitat Politècnica de Catalunya with the hopes of staying connected to the countryside. He later completed his MBA at IESE to expand his business options. Jordà describes how he got involved in Eurofirms in the following way:

“At my first job after the MBA program, at a multinational, I worked with Alex, a Sorbonne graduate and entrepreneur with such excellent management skills that he could sell you an airport. I had a very good salary: one of the best of my MBA class. But it was difficult to understand and work with Alex. Once, just as I was coming through the front door, I overheard him come down on a colleague like a ton of bricks. That really bothered me. It didn’t seem necessary at all. One day, he did the same thing to me. I told him not to shout at



me, that I wouldn't have it. And I thought, 'I would rather earn half the salary and have a reasonable manager who can talk to employees as equals in a pleasant environment.' I understood then what motivates workers: a company that runs well and the opportunity to learn, to do good work and contribute to the company. I stayed on at that company since I needed the money to pay off the student loans I had taken out for my MBA. As soon as I had the chance to define a corporate culture in line with my own values, I decided to create the kind of environment I wanted to work in."

Jordà built Eurofirms humbly, through a lot of hard work and dedication, by taking on business risks, navigating serious crises, reinvesting resources in technology, acquiring other companies and training his team.

**Table 1** shows the main numbers from the company's profit and loss statements from 2010 to 2016. Turnover and profit have grown due to an increase in the number of clients, branches and acquisitions of companies in the sector.

**Table 1**  
**Profit and loss statement**

Profit and loss statement	2017	2016	2015	2014	2013	2012	2011	2010
Net sales	351,548,789	292,570,693	195,600,345	141,002,897	96,809,134	82,465,039	80,240,989	68,437,237
Operating profit	11,584,408	10,157,040	8,391,311	7,172,563	4,764,884	3,450,873	3,189,874	2,157,790
Profit before taxes	11,574,854	10,292,276	8,681,943	6,956,595	4,431,801	3,413,487	3,157,434	2,189,208

Source: Document provided by the company.

## The Sector

The following are the most important companies in the sector operating in Spain:

**Randstad:** Dutch group with a turnover of €1.27 billion in Spain and 7% growth in 2016. It has 30,000 employees worldwide (1,800 in Spain) and more than 4,600 offices distributed across 39 countries (250 offices in Spain).

**Adecco:** Swiss group with a turnover of €979 million in Spain and 9% growth in 2016. It has 33,000 employees worldwide (1,800 in Spain) and more than 5,000 offices distributed across 60 countries (300 offices in Spain).

**Manpower:** U.S. multinational with a turnover of €507 million in Spain in 2016. It has 30,000 employees worldwide (763 in Spain) and more than 4,400 offices distributed across 73 countries (100 offices in Spain).

**Eurofirms:** As regards sales volume, it ranks fourth among TEAs in the Spanish market, and is the first with 100% Spanish capital. It closed out 2017 with a turnover of €351.3 million and has more than 500 employees and 95 offices in Spain, Portugal and Holland.