

# International market

Business



There were a number of flaws in Nokia's approach to announcing and handling its Bochum plant closure. As much as Nokia experienced increased cost of production, which the top management claims to be highly uncompetitive in the international arena, its plan of relocation to Romania was not maintained with a proper PR campaign. The careless open manner in which the announcement was made, causes to public demonstrations and further threats by the Germans to boycott Nokia products. That was a phenomenon that put Nokia in a big claim. Nokia ought to have made its plans to close down the Bochum plant a well guarded secret, known only to the concerned German government officials.

Also, instead of the harsh word "closure", Nokia should have used more friendly phrases, such as "scale down operations" to protect the future execution of its relocation plans. Secondly, the citizens and employees of the Bochum plant would only be informed of the Nokia's plans if the company has assured them of its presence in German and support after the full closure for the sake of continued good business relations. There are a number of things that the company can do now for damage control. The first thing Nokia should do, is to delay its plans to close down Bochum plant for some time, so as to regain confidence of the politicians, citizens and the unionists. Furthermore, the company should close down the plant gradually (in phases) in an extended period of time rather than at once, as it was planned initially.

In the subsequent phases of Bochum plant closure, Nokia should just maintain its minimal operations in Germany while increasing its mass

production in Romania to rise the level of d profitability. This will reduce German opposition to the company.