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EXPATICA COMMUNICATIONS: LEADing through TRAGEDY

Christopher Williams and Wendelien van Eerde wrote this case solely to provide material for class discussion. The authors do not intend to illustrate either effective or ineffective handling of a managerial situation. The authors may have disguised certain names and other identifying information to protect confidentiality.

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On a camping trip to Italy in July 2014, Mark Welling, managing partner and co-founder of Netherlands-based Expatica Communications B.V. (Expatica), received a message on his cell phone from his office in Haarlem, the Netherlands. The somber message said: “We think Antoine and his family were in the plane that crashed.” Antoine van Veldhuizen was the other managing partner and joint owner of Expatica. He had been on Malaysia Airlines flight MH17, which had been shot down over Ukraine with a loss of all 298 people on board.

Within hours, the news was confirmed. Van Veldhuizen had been killed along with his wife, two children, and mother-in-law. Welling and van Veldhuizen had been involved in the business for over 15 years, and worked closely together over that period. Welling considered van Veldhuizen a close friend and brother. Following a long drive back to the Netherlands, and after visiting shocked family members, Welling found himself alone in the Haarlem office. It was Sunday and employees were due to return to the office the next morning. Welling felt like pulling out of the business. How should he prepare for the next morning? How should he approach the meeting with his employees? What actions should he take regarding the business in the short and medium term?

Company background

Expatica was a “born global”[[1]](#footnote-1) firm established in the Netherlands with the aim of providing information and services to expatriates (expats) living abroad. The company was founded in 2000 with the help of funds provided by a government incubator (called Twinning). It had a business model based on online advertising revenues. The website users were expats, and the original offering was high-quality local and international news delivered in English, for free.

In 2006, van Veldhuizen and Welling, two Dutch entrepreneurs involved in the original venture that became Expatica, were presented with an opportunity to acquire the majority of the company’s shares and take control. They saw great potential in Expatica and aspired to set a new course for the company based on their understanding of the opportunities created by emerging technologies and the changing needs of expats living abroad.

By 2011, the main Expatica website was live in 11 countries. There were eight online offering areas: jobs, housing, listings, community, ask the expert, classifieds, forum, and dating. The online dating product was launched in 130 countries simultaneously in 2010. The income generated by online advertising contributed 90 per cent of Expatica’s total income. In addition to its online products, the company offered events, of which the “i am not a tourist” Expat Fair was by far the most popular and expensive. Other events included education fairs, human resources seminars, and social events. Expatica also offered a “survival guide” for expats, which was published in countries in which the “i am not a tourist” Expat Fair was held. The company had seen how the fair led to an increase in survival guide sales.

In July 2014, Expatica had eight full-time, permanent employees, including van Veldhuizen and Welling. Van Veldhuizen and Welling spent 100 per cent of their working time at Expatica, and were not actively involved in any other ventures. There were also six freelance staff members, employed on a renewable contract basis.

The six full-time, permanent staff members were located at the office in Haarlem. They consisted of one Dutch national and five expats living close by. Two were devoted to sales and had been working closely with van Veldhuizen. One worked on events, most recently concentrating on the upcoming “i am not a tourist” Expat Fair. One was responsible for social media, while another was responsible for website traffic management—vital to the business given the dependency on advertising revenue. Finally, there was one office manager, responsible for running the office.

The six freelance staff members were located outside the Netherlands. Three were situated in Bulgaria and were responsible for information technology system development and infrastructure. Three others were employed as editors, responsible for content across Europe.

Apart from van Veldhuizen and Welling, who had been associated with the company for 15 years, the shortest tenure among employees was 18 months, while the longest was six years. All permanent and freelance staff members had reported directly to van Veldhuizen.

There was also one intern who had started an internship at the company after Welling departed on his vacation in July 2014. The first time that Welling met this intern was on his return to Haarlem after curtailing his vacation. Along with the other employees, the intern was distressed and in tears.

**RECEIVING THE SHOCKING NEWS AND INITIAL RESPONSE**

Welling was enjoying his vacation and had not followed any news for a while. On this particular day, Thursday, July 14, 2014, he had gone swimming and had not taken his phone with him. When he returned from his swim, he checked his phone. He found a somber message from his office in Haarlem. It read: “We think that Antoine and his family were in the plane that crashed.” What plane? Had there been a crash? Welling had no idea, and initially could not recall when van Veldhuizen was travelling. After calling the office, he found out that when the news of a plane crash reached the office, they suspected it was the plane in which van Veldhuizen was travelling. They tried calling van Veldhuizen and his wife but were not able to reach them. They had to conclude that this was actually the plane that he was on with his family—the MH17.

The family had been heading to Indonesia for a holiday and flying from Amsterdam to Kuala Lumpur for a stopover. The plane crashed in Eastern Ukraine. It was a mystery why the plane crashed, but soon the suspicion arose that it had been shot down. The location suggested a connection to the East Ukrainian–Russian border dispute. But why was a passenger airplane targeted?

The Netherlands was in shock—it later emerged that 196 Dutch nationals lost their lives in the crash. In Malaysia, the news was met with perhaps even more disbelief: this was the second disaster in a row for Malaysia Airlines. Malaysia Airlines flight MH370, a Boeing 777-200ER carrying 227 passengers and 12 crew members, had gone missing between Kuala Lumpur and Beijing on March 8, 2014.

Late at night on July 17, the sad news was confirmed. Welling did not sleep that night. The next morning, he and his family started on the long drive back home to the Netherlands. Under normal circumstances, they would have driven without stopping, leaving at around 5:00 a.m. and expecting a drive time of about 14 hours. This time, Welling decided to leave later, at around 10:00 a.m., and to stay overnight along the way. Welling felt the need to be careful and did not want the journey back to be too exhausting. He wanted to be as fresh as possible on his arrival on the Saturday. Processing the terrible news and answering the many phone calls related to it was already straining. He did not want to risk any fatigue and loss of attention needed for driving the car.

During the drive, he was constantly making and receiving calls. It was a hectic and confusing journey. He spoke with current and former employees, and with journalists. He even had a long conversation with an old colleague who was in Australia, later recalling how he had referred to this person using the wrong name for the entire conversation.

On Saturday evening, he arrived home. He did not stop calling people, informing them about the news. On Sunday, he visited van Veldhuizen’s family, who had come together to mourn. Whereas the family was grieving and showed their sadness, he had not given himself time for that at all, having been consumed by organizing the trip home and informing others. This frame of mind appeared to stay with him: being alert and not giving in to emotions.

On Sunday afternoon, he went to the office alone. Entering the historic building in which the office was located and going over the many memories he had of van Veldhuizen, he wrote an “In Memoriam” tribute to van Veldhuizen, which was published on the company’s website:[[2]](#footnote-2)

After a two-day trip back from Italy and a day spent with Antoine’s family, I am now at the Expatica office. It is Sunday afternoon; no one is here besides me and a server exhaling loudly trying to counteract the heat.

Alone at the office, I see everything in a new light. I see so many things connected to Antoine, things I hadn’t really noticed before. His desk, his chair, his papers, the photos of his children. Even Antoine and Simone’s mirror in the meeting room, the paper cow he decorated during a team activity.

Slowly, the knowledge that everything will be different from now on sinks in. I put on “If It Be Your Will” by Leonard Cohen and sit at his desk. An extremely uncomfortable and lonely feeling creeps up on me. Antoine will never return. Expatica will never be the same.

At 17:53 on 17 July, while on holiday in Tuscany, I received a text message from the office saying: “We think Antoine was in the plane that crashed.” In total confusion, I read the message again and again. Which plane went down? Antoine wasn’t flying out till next week, right? What kind of text message is this, then? What’s this all about? Yet, soon the realisation that no one at the office would send this message, for no good reason, hits me.

What follows is a bizarre evening with a slow but steady stream of news, facts, half facts, and non facts. An evening on which hope all too quickly makes place for the unthinkable. Simone, her mother Christiene, Quint, Pijke, and Antoine have died in a disaster that never should have taken place, leaving a vast emptiness behind.

Antoine has meant a great deal for Expatica. He is the personification of the Expatica Family. He co-developed Expatica almost from the very start. He started the “i am not a tourist” Expat Fair, which is now in its 11th edition. It is impossible to mention everything he has done for Expatica over the last 12 years. His boundless and infectious energy has led to many initiatives and successes. At times chaotic, at times ad hoc, but always with the best intentions and ideas.

Expatica was his dream, his baby, his passion. Even when times were rough or situations difficult, he stood for Expatica, the Expatica Team, its quality and its readers. The sheer amount of heart-warming reactions from readers and former colleagues spread out across the globe prove this to be true.

I have had the pleasure of working with Antoine over the last 15 years, during which we have been through a lot together, both good and bad. We have never had a disagreement; Antoine always acted in harmony and with respect for everyone involved. To me, Antoine was not only a partner at Expatica, he was my good friend. A friend whom I was not ready to part with; we still had so many great plans for the future. He and his family had such a wonderful life ahead of them.

Antoine will never return, but he will always be part of the Expatica family, forever known as its most important, energetic, loyal, likeable, committed, sympathetic, best member with the loudest laugh. He will never be forgotten.

Antoine will never return, but will always be one of my very best friends. I am grateful to him for our cooperation and friendship. I will never forget him.

I wish Antoine and Simone’s family, their friends, and everyone who was close to Simone, her mother Christiene, Quint, Pijke, and Antoine the strength it will clearly take to get through this.

Mark Welling

Founder & Managing Partner Expatica Communications B.V.

**evaluating SCENARIOS**

After writing the piece, Welling’s immediate thought was, “I am pulling out.” He could not go on without his business partner who had been so influential.

Van Veldhuizen was a passionate entrepreneur who loved his work–life balance. He sometimes did what he felt like doing most, such as sports at hours that others might spend at the office. He was excellent in establishing relationships and maintaining contact with stakeholders and friends alike. As a result, the company had excellent client and business relations.

Welling foresaw many situations that he felt he could not handle without van Veldhuizen. Van Veldhuizen was the operational and commercial partner, whereas Welling focused on new business and technical details, especially the dating site. Welling felt he could not take on all the roles that van Veldhuizen had fulfilled, particularly in the way van Veldhuizen accomplished them over the years. Together, they had taken on the leadership roles harmoniously, with little disruption or tension, each fulfilling aspects of leadership that were most natural to them.

Clients and partners were highly appreciative of what van Veldhuizen did in the company. How would they react to his death? Could anyone else do the work in the same spirit? This spirit had led Welling and van Veldhuizen to think constantly about next steps for the business. They had recently thought about moving to a smaller office and becoming a more compact business that would involve new projects they would enjoy, even projects that were unrelated to Expatica’s core mission.

Welling also felt increased pressure because Expatica was approaching its busiest time of the year—the “i am not a tourist” Expat Fair for 2014 had to be organized and managed. The fair was to take place in October in central Amsterdam. It was an annual highlight for the company, attracting around 4,000 guests. How was Welling going to handle all the activities for the fair while at the same time making the all-important decision about the future of the company? That afternoon in the office, Welling contemplated many options, of which four stood out.

Option 1: Pull out of the business and sell everything to an interested party

The company was in good shape, and others would be able to transform the business and build on it. This option would make it possible for Welling to move on and start something new.

Option 2: Sell the part of the business that van Veldhuizen had focused on

This option would allow Welling to focus on the dating site, a part of the business that was growing. Welling had concentrated his efforts over the previous years on this side of the business, and had been set to continue on this road in the future.

Option 3: Step in and take on van Veldhuizen’s role himself

This would ensure stability and the possibility of building van Veldhuizen’s legacy, keeping alive what they had set out to do together. However, it was not an easy option. Would others accept Welling’s decision to take on a broader role in the company? How would he be able to stay in contact with all clients, partners, and employees while continuing to do the work he normally did? What about the excellent relations that van Veldhuizen had established? Could he live up to what van Veldhuizen had managed to do? Welling would not look forward to fulfilling van Veldhuizen’s role, particularly in the area of sales.

Welling had never focused on sales at Expatica, having found out in a previous job that it did not particularly suit him. The world of sales was not the most interesting part of the business to him, and he felt he was not a typical salesperson. He had always felt more comfortable in the technical and supportive roles that required problem solving and creative thinking. The complementarity of the two partners had actually been an important asset for the company. Would he be able to combine the two roles into one?

Option 4: Bring in a new person from outside the company to focus on sales

If sales remained stable or grew, this would help Expatica stay afloat and give Welling time to think about important decisions concerning the company. Sales involved a considerable risk if not handled well. Welling contemplated recruiting a salesperson and training this person to take on van Veldhuizen’s role in the long run. At least a stable income would be ensured, reducing the company’s commercial risk. However, this option involved other risks. Welling was concerned that it would take some time to identify, train, and socialize this new person. The impact on actual sales would not be known for some months—at which point it might be too late: if sales were slow, there would be no time to recover, and the company might not survive. A new recruit might not have known van Veldhuizen personally, whereas everyone around the recruit would, both internally and externally. Would clients remain loyal?

**DECISION POINT**

Welling sat alone and tried to organize his thoughts. Following the journey back to the Netherlands, and witnessing the emotions of grieving family members, he needed to find a way to cope. He recognized that the employees had been dealing with the situation on their own since the previous Thursday. He thought about what they might be going through, probably feeling insecure about the company and their jobs. He was worried about giving the impression that he did not believe in the company anymore, and believed he had to set the right example. If he could not convey his belief in the company, then Expatica’s employees would not be able to deal with any of the tasks ahead, whatever the decisions about the future might be. Welling recognized the need to be clear in his words and actions. However, he was unsure about how to move forward. How should he approach the employees the next morning—what should he say to them? What actions should he take regarding Expatica’s future?

1. A company establishing international operations at or near its founding. [↑](#footnote-ref-1)
2. Mark Welling, “Antoine van Veldhuizen—In Memoriam,” Expatica, July 21, 2014, accessed September 8, 2016, www.expatica.com/nl/news/Antoine-van-Veldhuizen-In-Memoriam\_428856.html. [↑](#footnote-ref-2)