Marketing Simulation: Conjoint Analysis for Business Decisions

Simulation Completes New Conjoint Analysis Toolkit

IN THIS NEW SINGLE-PLAYER SIMULATION, students learn how to use one of the most popular market research methods: conjoint analysis. Through 2 different exercises—one set in the “green car” segment of the auto industry, and another in the health care marketplace—this simulation shows students how conjoint analysis output is relevant in practice. It also provides an interactive experience of using conjoint analysis for managerial decision making.

This simulation gives students concrete exposure to key business concepts such as demand curves, segmentation, profit functions, competitive responses, vertical and horizontal differentiation, optimal pricing, niche vs. mass market strategies, product portfolio management, and brand equity.

During the 2 exercises, students work—as product manager—on a series of goals and face a host of competitive settings. To inform their decisions, students have access to results of a conjoint analysis study. They can view these results in various ways and can run market simulations under multiple conditions to learn various data points, such as forecasted demand in units or sales revenue at different price points.

Playing the Simulation

In both the “green car” and health care exercises, students can be given a variety of business goals to achieve. Students will need to consider new market conditions when completing each goal, including new business objectives, changing competition, and a varied set of constraints.

NEW! Case Flash Forward

Updates to Cases

In response to demand from instructors, a new type of case supplement is now available: Case Flash Forwards. This new material provides a 2-page update of key changes and developments at a particular company in the time since it was covered in a related case study. While some Case Flash Forwards update one particular case, others are applicable to additional cases that involve one company. There are 19 Case Flash Forwards available on the HBP for Educators web site, with more to come.

To access Case Flash Forwards for a particular case, click on the Supplemental Material tab while on the web page for a specific case.

Case Flash Forwards update cases including:

- Apple Inc. in 2012 #712490
- Cola Wars Continue: Coke and Pepsi in 2010 #711462
- Google Inc. #910036
- HubSpot: Inbound Marketing and Web 2.0 #509049
- Netflix #607138
- Wal-Mart Stores, Inc. #794024
- The Walt Disney Company: The Entertainment King #701035

SEE MORE CASE FLASH FORWARDS:

hbsp.harvard.edu
Marketing Simulation: Conjoint Analysis for Business Decisions

After each business goal is presented in detail, students are given the following steps to complete each goal:

1. Review the conjoint output. (Videos are provided to aid the students in their analysis of the data.)
2. Review the product(s) in the marketplace.
3. Select attribute levels for the proposed product and run the market choice predictor to see how the product will perform in the marketplace.
4. Submit a solution or run another simulation.

When students run a simulation, the market choice predictor uses the conjoint data to determine the commercial performance of each product in the market, including the product configured in the simulator.

Once students have entered their decisions, they can decide to submit their results or run the simulation again to find better answers. Students have a limited number of chances to run simulations for each goal, and a limited number of attempts at submitting an answer.

Assignable as homework or to be completed in class (or a hybrid of the two), this simulation thoroughly exposes students to the trade-offs between intuition, logic, and “hard” data in managerial decision making.

Elie Ofek; Olivier Toubia | Approximate Seat Time: 60 minutes | #515713

Conjoint Analysis Toolkit
TO COMPLEMENT THIS SIMULATION THE TOOLKIT INCLUDES:

CONJOINT ANALYSIS: ONLINE TUTORIAL
Elie Ofek; Olivier Toubia | Approximate Seat Time: 60 minutes | #514712

The Conjoint Analysis: Online Tutorial is intended to facilitate understanding of this popular market research method. The aim is for students to appreciate the underlying characteristics of the method and also to gain interactive experience with constructing, running, and using conjoint analysis in strategic decision making (including segmentation, product design, and pricing). The tutorial contains a number of interactive tasks that engage students and allow them to practice using the material.

CONJOINT ANALYSIS: A DO IT YOURSELF GUIDE
Elie Ofek; Olivier Toubia | 17 Pages | #515024

This technical note discusses the 6 steps needed to effectively run a conjoint analysis study and includes advice on best practices to follow and what pitfalls to avoid. Several user-friendly Microsoft Excel spreadsheets accompany this note and can be used as aids when implementing and analyzing a conjoint study.

Undergraduate Curriculum Maps
RECOMMENDED ITEMS FOR UNDERGRADUATE COURSES

Curriculum maps provide an easy way to find course material for use in undergraduate business courses. These maps suggest an array of HBP course materials including cases, articles, Core Curriculum Readings, simulations, and more. Maps are available for undergraduate-level courses in:

- Entrepreneurship
- Finance
- Marketing
- Operations Management
- Strategy

Curriculum maps are also available for MBA-level courses in the same disciplines.

hbsp.harvard.edu/maps

Free Trial Access: A Free Trial allows full access to the entire simulation and is available to Premium Educators on our web site.
New Multimedia Cases
In Marketing and Entrepreneurship

**Eataly: Reimagining the Grocery Store**  MARKETING
Sunil Gupta; Michela Addis; Ruth Page

Part supermarket, part high-end food court, and part culinary arts school, the Italian-based supermarket Eataly was fashioned around the concept of Europe’s open markets. Eataly opened its first store in 2007 and within 7 years expanded to 27 locations around the world. This success was impressive in an industry known for intense competition and low margins. How did Eataly manage to grow so quickly, and can it sustain its growth?  Seat Time: 60 minutes  | #515708  | TN

**BOLT: Seed Venture Capital Firm**  ENTREPRENEURSHIP
Robert F. White; William A. Sahlman

BOLT is a different kind of seed venture capital firm, built to serve the needs of early-stage start-ups at the intersection of hardware and software. Unlike pure software ventures, companies that require important hardware components need access to expensive and complicated machinery, as well as expertise in operating equipment and transitioning from prototypes to final products. The founders of BOLT recognized this trend and created a seed venture firm to focus on the unique needs of these entrepreneurs.  Seat Time: 60 minutes  | #815702  | TN
ACCOUNTING

**Alibaba Goes Public**
Krishna G. Palepu; Suraj Srinivasan; Charles C.Y. Wang; David Lane
Harvard Business School Case #115029 (27 pages)

When Alibaba debuted on the New York Stock Exchange, it created the largest IPO in history and its initial desire to be listed on the Hong Kong Stock Exchange was denied due to the company’s wish to preserve its partner’s control over decision rights. Why did American stock markets approve of Alibaba’s governance structures, despite the warnings of many governance experts?

**Anwar Aluminum Works**
Elizabeth M.A. Grasby; Amy Shuh
Ivey Publishing Case #W14623 (6 pages)

The plant manager of an aluminum alloy production plant is faced with capacity constraints and must determine which of 2 new specialty orders to take on. Both orders cannot be filled simultaneously. Students are asked to (1) perform an industry size-up of the global metals industry and its subset, the aluminum industry; (2) perform a business size-up of the company’s current operations; (3) determine the pros and cons of accepting each customer order; (4) calculate the projected contribution margin rates for each product order; (5) analyze, using differential analysis, each customer order; and (6) make a decision about which order to accept.

**Barry’s Batting Cages Ltd.**
Elizabeth M.A. Grasby; Karim Mashnuk
Ivey Publishing Case #W13100 (3 pages)

The owner of a popular batting cage business reveals financial details about her company’s long-lived assets for the purpose of completing the necessary fiscal-year accounting transactions.

**Bluewater Football Association**
Ian Dunn; Elizabeth M.A. Grasby
Ivey Publishing Case #W13074 (5 pages)

The finance director of a football association is considering adding a 4th team to the organization. Parents and players in the community want the football association to field a football team in the varsity division for players aged 17 and 18. The finance director needs to identify the amount of financing that would be required to operate a varsity team. She must project a cash budget for the upcoming operating period and also evaluate other scenarios that could help reduce the amount of financing needed.

**Guiding Professional Accountants to Do the Right Thing**
Paul M. Healy; V.G. Narayanan; Penelope Rossano
Harvard Business School Case #115028 (11 pages)

The Ethics Advisory Committee of the Institute of Chartered Accountants in England and Wales (ICAEW) provides training and support for member chartered accountants to help them deal with difficult professional situations. Members can seek help through call centers and in-person meetings with accounting experts in the field to discuss how to best

NEW! ONLINE TUTORIAL

**Accountsville: Impairment of Fixed Assets**
Authored by Lucia Egea Ronda

This interactive tutorial allows students to practice their understanding of IAS 36 as it pertains to the impairment of fixed assets. Students complete a series of tasks to find out which of the company’s assets are impaired and then carry out the necessary adjustments to those assets. Students explore a fictitious town, Accountsville, in which they complete 5 scenarios. For each scenario, students must find the carrying amount, the recoverable amount, and the impairment value, with the help of short interactive exercises. It includes a short PDF that provides an overview of IAS 36.

IE Business School
Seat time: 60 minutes | #I0001E

Registered Premium Educators (a free service) can see a full Free Trial online.
handle difficult situations. In addition, the Ethics Advisory Committee meets regularly to identify new issues that raise questions for professional standards. This case examines professional standards for ICAEW chartered accountants and a number of challenging ethical situations that members have faced.

**Healthy Life Group**
Elizabeth M.A. Grasby; Ian Dunn
Ivey Publishing Case
#W11083 (7 pages) TN

A budding entrepreneur, with her father, has purchased exclusive Canadian distribution rights to Nutrifusion, a new health supplement that provides servings of fruits and vegetables when added to a variety of foods. They are contemplating launching Healthy Life Group (HLG), a company to market and distribute Nutrifusion in Canada. They want to evaluate the product’s financial feasibility for the company’s first year of operations, ending December 31, 2011. If the financials look favorable and the business plan seems feasible, the father and daughter will proceed with the new venture. This case serves as an introduction to financial analysis and the development of projected financial statements. Students are given the opportunity to assess the industry qualitatively, analyze a proposed distribution strategy, prepare the 1st year’s projected income statement and balance sheet, and then make an overall decision based on their analysis.

**Omar Selim: Building a Values-Based Asset Management Firm (A)**
Shannon Gombos; George Serafeim; Rebecca M. Henderson
Harvard Business School Case
#115021 (16 pages) B Case Available

A budding entrepreneur, with her father, has purchased exclusive Canadian distribution rights to Nutrifusion, a new health supplement that provides servings of fruits and vegetables when added to a variety of foods. They are contemplating launching Healthy Life Group (HLG), a company to market and distribute Nutrifusion in Canada. They want to evaluate the product’s financial feasibility for the company’s first year of operations, ending December 31, 2011. If the financials look favorable and the business plan seems feasible, the father and daughter will proceed with the new venture. This case serves as an introduction to financial analysis and the development of projected financial statements. Students are given the opportunity to assess the industry qualitatively, analyze a proposed distribution strategy, prepare the 1st year’s projected income statement and balance sheet, and then make an overall decision based on their analysis.

**BUSINESS ETHICS**

**Al-Shabaab, Gatekeepers, and the Ethics of Humanitarian Aid**
Keith Krebiel
Stanford Graduate School of Business Case
#ETH1 (4 pages) Companion Case Available

Following decades of civil strife among warring clans, exacerbated by the worst drought in decades (2010-2012), millions of starving, dislocated Somalis resided in crowded camps throughout the country. Humanitarian aid organizations made good-faith efforts to distribute food and medical treatment and supplies to those who suffered most. Usually these nongovernmental organizations (NGOs) were thwarted by so-called gatekeepers, who, backed by military force, required that all aid be delivered first to them and only thereafter to the intended recipients, under conditions the gatekeepers set. This case summarizes the tactics used by the gatekeepers of Al-Shabaab (a cell of the radical Islamic group al-Qaeda) in Somalia and the corresponding risks that the United Nations and NGOs had to confront.

**Going Global—Working in Jumandia**
Michael C. Feiner
Columbia Business School Case
#CU05 (9 pages) TN

After 2 successful years of consulting work, Sonya lands a job at a U.S.-based petroleum company. She thrives in the firm’s corporate culture and is soon promoted and transferred abroad to a developing country. However, she discovers that her firm has budgeted $5 million for “legal” consulting—in essence, a payment to the local government. When Sonya pursues the issue with her manager, he suggests that she leave her post and get more experience back home. Through an analysis of Sonya’s experience, this case explores how one might navigate the challenges presented by such an ethical dilemma.

**Managing for Stakeholders**
Edward R. Freeman
Darden School of Business Background Note
#UV6582 (16 pages)

This note explains managing for stakeholders, an emerging view that businesses, and the executives who manage them, actually do and should create value for customers, suppliers, employees, communities, and financiers (or shareholders)—which contrasts with the dominant idea that businesses are to be managed solely for the benefit of shareholders.

**Responsibilities to Employees**
Nien-he Hsieh
Harvard Business School Background Note
#315067 (6 pages)

This note provides a framework to conceptualize managers’ responsibilities to employees in relation to economic, legal, and ethical considerations. The note frames the central ethical challenge for managers as exercising power in a fair manner. The fair exercise of power involves 3 components: respect for legitimate expectations, procedural fairness, and distributional fairness.

**Société Générale (A): The Rogue Trader**
Mark Hunter; N. Craig Smith
INSEAD Case
#INS227 (24 pages) TN B Case Available

In January 2008, Société Générale revealed that trader Jerome Kerviel had exposed the bank to 50 billion euros in apparently unhedged and unauthorized trades, resulting in 4.9 billion euros of losses when his positions were unwound. This case provides an opportunity to explore the motivations underlying Kerviel’s conduct and the failure of the bank’s internal controls, as well as other organizational and sociological factors in this incident and the broader 2008 financial crisis.

**Through the Eyes of a Whistle-Blower: How Sherry Hunt Spoke Up About Citibank’s Mortgage Fraud**
Adam Waytz; Vasilia Kilibrarda
Kellogg School of Management Case
#KEL852 (18 pages) TN

As an underwriter in Citibank’s mortgage group, Sherry Hunt witnessed fraud for years. After failed attempts to report it—to everyone from the boss to the FBI—Hunt wondered what to do next. This case gives students the
opportunity to recommend how Hunt should proceed based on their analysis of the stakeholders involved. To aid instructors, the case also includes videos of Hunt explaining what happened.

**BUSINESS & GOVERNMENT RELATIONS**

*Bhutan: Governing for Happiness*

Sophus A. Reinert; Thomas Humphrey; Benjamin Safran

Harvard Business School Case #715024 (35 pages) [W]

Unique among the world’s countries, the Himalayan Kingdom of Bhutan had abandoned the traditional policy goal of increasing gross domestic product (GDP) in favor of pursuing gross national happiness (GNH). Famously, Bhutan ranked high on lists of the happiest countries in spite of a tumultuous history, a low life expectancy, a dismal literacy rate, a small and undiversified economy, and low GDP per capita. Everyone, it seemed, from tourists and Hollywood screenwriters to leading development economists, looked to Bhutan for enlightenment and perspective on crises both personal and global. GNH had become the country’s brand and suggested a possible future for capitalism. Was Bhutan onto something? Was there really a trade-off between growth and happiness, and if so, was it acceptable?

*Colombia and the Economic Premium of Peace*

Richard H.K. Vietor; Hilary White

Harvard Business School Case #715011 (30 pages)

Colombia, the fastest-growing country in Latin America, continues to struggle with productivity. Both labor productivity and total factor productivity have been low for the past decade, despite economic growth of 4.7% annually. Many factors contribute—everything from infrastructure to banking to informality. President Santos, 1 year into his 2nd term, is well aware of these difficulties and has put in place new policies to mitigate them. His focus, however, is on peace negotiations with the FARC—a possible settlement of the 50-year struggle that itself would significantly impact productivity.

*Korea*

Forest Reinhardt; Jonathan Schlefer; Keith Chi-ho Wong; Mayuka Yamazaki

Harvard Business School Case #715047 (35 pages)

South Korea’s economic success and its transition from authoritarianism to democracy teach important lessons in national strategy and political economy. Now, though, its famous chaebols may need reform, the population is aging, and relations with the North are as tense as ever. What should the country’s leaders do?

*The Sino-Russian Rapprochement: Energy Relations in a New Era*

Rawi Abdelal; Morena Skalamera; Sogomon Tarontsi

Harvard Business School Case #715016 (30 pages)

The U.S. could enhance or threaten China’s energy security, but China was unsure of U.S. intentions. China and the U.S. were both friends and potential foes. In the meantime, Russia’s own ambivalent relationship with the U.S. and its Western allies worsened. In this context, China and Russia grew closer. Bilateral ties in the energy trade quickly improved; Russian oil exports expanded while disagreements on the terms of natural gas supplies were resolved. The case describes the impact of the interplay of great power politics, domestic political considerations, and economic factors on the efforts of the Chinese and Russian energy companies to expand business ties.

*Turkey and the Southern Corridor*

Rawi Abdelal; Esel Cekin; Cigdem Celik

Harvard Business School Case #715042 (40 pages)

In December 2014, Russia canceled the South Stream pipeline that was envisaged to deliver natural gas through the Black Sea basin on to Europe and replaced it with a new pipeline through Turkey. The Turkish Stream was a great opportunity for Turkey to turn itself into an energy hub of its region. It had already secured TANAP, a natural gas pipeline to carry Azerbaijani gas to Europe through Turkey. The country’s geographical position was one of its crucial assets: to its east lay 70% of the world’s natural gas reserves; to its west was Europe, one of the biggest energy consumers in the world. If the Turkish Stream and TANAP pipeline projects were to go through and connect to other possible energy reserves within the wider region, would it be likely that Turkey would eventually become one of Europe’s main energy corridors—perhaps even a hub?

**ECONOMICS**

*Philippines: A Concise Profile, 2014*

Michael A. Witt

INSEAD Background Note #INS818 (8 pages)

This concise country profile provides an up-to-date introduction to the history, politics, foreign relations, society, and economy of the Philippines, supplemented by the latest available key statistics. The notes in this series are updated annually.

**ENTREPRENEURSHIP**

*Alibaba’s IPO Dilemma: Hong Kong or New York?*

Emir Hrnjic

Ivey Publishing Case #W14598 (15 pages) [W]

In April 2014, Alibaba’s impending initial public offering (IPO) was projected to be among the world’s largest. Alibaba faced many choices regarding ownership structure, trading location, IPO pricing, and IPO timing. The Hong Kong Stock Exchange seemed like a natural fit for its IPO due to geographical, cultural, and language proximity. Furthermore, 86.7% of Alibaba’s revenues originated within China. However, Alibaba insisted on “partnership governance,” and the Hong Kong Stock Exchange did not allow listing of companies with dual-class share structure. In contrast, the New York Stock Exchange and NASDAQ did not object to Alibaba’s proposed ownership structure. While the Hong Kong investors knew Alibaba’s business better, the New York exchanges provided more liquidity and visibility. Against this backdrop, Alibaba needed to make difficult decisions regarding its IPO.
Bayt.com: How Bayt.com Derived a “Place Surplus” in Dubai, U.A.E.
Sami Mahroum; Elizabeth Scott
INSEAD Case #INS824 (18 pages)

The case examines the factors that influenced the founders’ decision to establish Bayt.com in Dubai, and how the online job site transformed recruitment practices in the Middle East by facilitating access to skill and talent throughout the MENA region. Among the locational drawbacks the company had to overcome were low internet penetration rates, cultural barriers, and diverse legal and regulatory systems.

Brentwood Associates: Exiting Zoës Kitchen
Joan Farre-Mensa; Stephanie Siu
Harvard Business School Case #815102 (20 pages)

The case discusses the trade-offs associated with the different exit options that private equity firm Brentwood Associates contemplated for its investment in Zoës Kitchen during the summer of 2013: an IPO, a sale to a strategic or financial acquirer, or waiting a few more years before exiting the investment.

Partnering with Venture Capitalists
Jeffrey J. Bussgang; Michael J. Roberts
Harvard Business School Core Curriculum Reading #8240 (47 pages)

This Reading takes a deep look at the venture capital (VC) industry in the United States. VCs have a unique perspective on opportunity evaluation, deal structure, new venture support, and exit strategy. Their work at all stages of the entrepreneurial life cycle offers many lessons to company founders, even those whose ventures are not backed by VCs. This Reading follows the chronological cycle of VC activity from the entrepreneur’s vantage point: deal evaluation, deal pricing, structure and terms, working with VCs once the deal has been signed, and exit. The topics of deal pricing, structure, and terms are treated in particular depth through a detailed examination of a “term sheet”—the contract that sets out the terms of the VC financing. The Reading also includes 3 Interactive Illustrations: “How Investor Expectations and Target Returns Drive Company Ownership,” “A Payoff Curve,” and “Sell or Hold?”

More Citizens Connect
Mitchell Weiss
Harvard Business School Case #315075 (23 pages)

Funding to scale Citizens Connect, Boston’s 311 app, tests 2 public entrepreneurs. In 2012, the Commonwealth of Massachusetts provides Boston’s Mayor’s Office of New Urban Mechanics with a grant to scale Citizens Connect across the state. The money gives 2 co-creators of Citizens Connect, Chris Osgood and Nigel Jacob, a chance to grow their vision for citizen-engaged governance and civic innovation, but it also requires that 2 City of Boston leaders sit on a formal selection committee that pits their original partner, Con-
WebTracker
William A. Sahlman; Michael J. Roberts
Harvard Business School Brief Case
#915543 (15 pages) TN
Instructor & Student Spreadsheets Available
This case describes the evolution of a tech start-up, WebTracker, and focuses on the decision of 2 aspiring entrepreneurs who have just received offers for venture capital (VC) financing for the company. These offers, or term sheets, are similar in some respects but different in others. The 2 firms offering financing are also different. The heart of the case involves comparing these term sheets and determining the “best deal” for them and for their company. The deal ultimately cut will parse the economic rewards of success and implement control and governance provisions that are designed to reduce risk for the VC.

Back to School: Real Estate Development of Off-Campus Student Housing
Craig Furline
Kellogg School of Management Case
#KEL854 (18 pages) TN
Instructor Spreadsheet Available
Christopher Lenard and his longtime friend Kimberly Slater are exploring the idea of developing a student-housing complex near the University of Wisconsin–Madison. UW-Madison seemed to present attractive market and demographic conditions for investment in student housing in the summer of 2012. But before committing a large share of his personal wealth to the project, Lenard needs to conduct a more careful analysis of its potential risks and returns. By putting themselves into the shoes of a budding real estate entrepreneur, students will evaluate both the merits and pitfalls of various approaches to the financial analysis of real estate development projects.

Betting on Failure: Profiting from Defaults on Subprime Mortgages
Craig Furline
Kellogg School of Management Case
#KEL879 (25 pages) TN
Instructor Spreadsheets Available
In October 2008, Anthony Keating, investment manager at the Boston private bank Billingsley, Blaylock, and Montgomery, was searching for an investment strategy to recommend to his high-net-worth clients. Traditional investments in the equity markets were being decimated, and Keating’s clients would be looking to him for ideas. Keating began to explore the possibility of entering a trade that would profit as homeowners defaulted on their mortgages. The more Keating learned about the trade, the more he realized that he needed to know about mortgage-backed securities and credit default swaps. The case provides instructors with a chance to introduce these financial instruments while providing lessons applicable to students interested in value investing or real estate finance.

Bluntly Media: A Private Company Valuation
Colette Southam; Annabel Yee
Ivey Publishing Case
#W14730 (15 pages) TN
Instructor & Student Spreadsheets Available
In August 2013, an intern at Slatestone Group, an Arizona-based boutique investment bank, was working on a targeted sell-side deal. Paterson Publishing, a Fortune 200 company, had expressed interest in acquiring Slatestone’s client Bluntly Media Holdings, a private direct marketing agency. The intern was assigned to help prepare the deal marketing material and assist with the valuation assessment of Bluntly Media. He needed to use a variety of valuation methods and propose a strategy that could assist Bluntly Media in attaining a higher price.

Dogs of the Dow
Malcolm P. Baker; Samuel G. Hanson; James Weber
Harvard Business School Case
#215020 (14 pages)
This case describes the Dogs of the Dow investment strategy, value investing, and using dividend yields as a means to determine intrinsic value. It also describes exchange-traded notes and a particular exchange-traded note, known as the Dogs of the Dow, which tracks the performance of the 10 highest-yielding stocks of the 30 stocks that make up the Dow Jones Industrial Average (DJIA). The case provides share price data, dividend data, and financial statement data on the 30 DJIA companies to enable students to perform their own calculations.

Female Health Company
Theo Vermaelen; Hidde van Melle; Mary Margaret Frank
INSEAD Case
#INS949 (24 pages) TN
Female Health Company produces the female condom distributed by nonprofit organizations in Africa to prevent HIV/AIDS. In February 2009 the company has to decide whether to buy back stock. This provides an opportunity to check on whether the firm is fairly valued and whether it should reconsider its capital structure and payout policy.
**Flipkart: Valuing a Venture Capital-Funded Start-Up**
S. Veena Iyer
*Ivey Publishing Case #W14467 (14 pages) TN*

The Indian online retail (“e-tail”) market had seen a flurry of activity. Success stories such as Makemytrip.com and Naukri.com in the travel and job search domains, respectively, were significant catalysts for this new breed of start-ups. Of these start-ups, Flipkart stood out as one of the most successful (and audacious), mostly because of the funding the company managed to secure over a very short period of time as compared to its competitors. The firm was celebrated for its bold stance on growth versus profitability but simultaneously had its share of critics and skeptics. The latest round of venture capital funding had valued Flipkart at $1.6 billion, nearly 8 times sales. In less than 2 years, the firm had attracted nearly $550 million in venture capital funds and its sales turnover had grown nearly thirtyfold. Was Flipkart growing too big too soon? Were these valuations justified?

**From Dell to Lenovo? Investment Decision in the Rapidly Changing PC Industry**
Stephen Sapp; Chris Chan
*Ivey Publishing Case #W13415 (14 pages) TN*

The director of the investment wing of a financial services provider must decide whether his firm should continue to invest in the former front-runner in the personal computer industry or switch strategies and invest instead in an up-and-coming competitor. At a time of significant technological change and slowing global growth, the director and his team of analysts set out to create an in-depth assessment of the personal computer industry in order to make an informed decision about their firm’s optimum investment choices.

**H.J. Heinz M&A**
David P. Stowell; Nicholas Kawar
*Kellogg School of Management Case #KEL848 (25 pages) TN*

During December 2012, Jorge Paulo Lemann, a cofounder and partner at 3G, proposed to Warren Buffett that 3G and Berkshire Hathaway agreed to sign a non-disclosure agreement to discuss the possibility of an acquisition. Following a 40-day “go shop” period, Heinz, 3G, and Berkshire Hathaway returned with a revised proposal of $72.50 per share, for a total transaction value of $28 billion (including Heinz’s outstanding debt). Following a 40-day “go shop” period, Heinz, 3G, and Berkshire Hathaway agreed to sign the deal. Was this a fair deal? And what might be the future consequences for shareholders, management, employees, and citizens of Pittsburgh, the location of the company’s headquarters?

**Infinite Technology Solutions and the Delhi-Mumbai Industrial Corridor**
John D. Macomber; Vidhya Muthuram
*Harvard Business School Case #815105 (7 pages)*

The Delhi-Mumbai Industrial Corridor (DMIC) is an ambitious economic development project linking 6 of the most competitive states in India with the sea. The corridor is modeled on the Jiangsu Corridor in China (Nanjing to Shanghai) and the Tokyo-Hokkaido Corridor in Japan. The government of Japan is a major investor. Several of India’s proposed Smart Cities are located on the corridor. Eventual success of the corridor depends on attracting jobs in very large numbers. Infinite Technology is a big IT and BPO firm in Bangalore. The case looks at the economics and soft issues as Anjali Varma of Infinite decides whether to depart Bangalore for Dholera on the DMIC. This case works well with HBS Case #214077, “Delhi-Mumbai Industrial Corridor: India’s Road to Prosperity?”

**Julia Reka: Analyzing Put Options**
Hubert Pun; Siddharth Aiyar
*Ivey Publishing Case #W15005 (5 pages) TN*

An Amazon stockholder wants to decide the long/short positions for several put options that would result in the lowest risk at the best possible return on her stocks. In particular, she is looking to generate as much return as the status quo strategy, where no put options are used.
New Partner Case Collections

Harvard Business Publishing distributes content from many case writing institutions, and the collection continues to grow. Cases from each partner collection are accompanied by Teaching Notes. New partner collections include:

**CLADEA-BALAS**
Sourced from a consortium of schools, these cases focus on economic and managerial issues in Latin America and the Caribbean.

**MARKETING**
Glade—Nature’s Scents, Spanish Version #IC0005

**OPERATIONS MANAGEMENT**
Operadora Logistica Salvadoreña #IC0003

**STRATEGY**
Ferran Adrià and elBulli’s Transformation #ED0003
Tin Mining, Inc. #AN0007

**COLUMBIA BUSINESS SCHOOL**
This collection includes cases in all major disciplines. Many cases are authored by professors with experience in each case’s industry. In addition to Teaching Notes, Teaching Slides are available for many cases.

**FINANCE**
The Curious Case of Dell (A) #CU112

**GENERAL MANAGEMENT**
Hauser Food Products Company #CU01

**INFORMATION TECHNOLOGY**
Web Analytics at Quality Alloys, Inc. #CU44

**SERVICE MANAGEMENT**
The Ritz-Carlton Hotel Company: The Quest for Service Excellence #CU09

**IE BUSINESS SCHOOL**
Multimedia cases are available in Operations Management and Organizational Behavior, as is an online tutorial in Accounting.

**ACCOUNTING**
Accountsville: Impairment of Fixed Assets Online Tutorial #I0001E

**OPERATIONS MANAGEMENT**
AEDAS, Research in Practice Multimedia Case #I0004E
Al-Kadi Commerce & Industry Multimedia Case #I0005E

**ORGANIZATIONAL BEHAVIOR**
Rosa Vañó and Castillo de Canena Multimedia Case #I0007E

**PROGRAM ON NEGOTIATION AT HARVARD LAW**
More than 30 role plays in Negotiation are available from this consortium, dedicated to developing the theory and practice of negotiation and dispute resolution.

**NEGOTIATION**
The Bullard Houses #PON124
Eazy’s Garage #PON213
The Powerscreen Problem #PON413
Sally Soprano I #PON424

See all partner case collections at: hbsp.harvard.edu/list/partners

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**Kingfisher Airlines Ltd.: Debt Restructuring**
Durga Prasad; Kulbir Singh; S. R. Vishwanath
Ivey Publishing Case #W15188 (16 pages)

Kingfisher Airlines, a leading airline company in India, had incurred substantial losses and its net worth had eroded. This news was widely covered by Indian and international press. Analysts and media were of the opinion that Kingfisher needed equity infusion to steer it through the distress. Because of its financial difficulties, the company’s stock was trading at near-historic lows and its equity value was, in fact, negative. Yet company management was emphatic that Kingfisher was on the road to recovery, although it was negotiating a second debt restructuring with banks. Would this restructuring prove more successful than the last? Could anything save Kingfisher from this dire financial situation?

**Longbow Capital Partners**
Malcolm P. Baker; Samuel G. Hanson; James Weber
Harvard Business School Case #215026 (21 pages)

Longbow Capital Partners is a value-oriented long/short hedge fund focused on stocks in the energy sector. In January 2011, Longbow invested in NiSource, a Fortune 500 company that owns a diverse portfolio of regulated energy businesses. In late 2014, Longbow was deciding whether or not to maintain its position in NiSource. To make this decision, students must perform a discounted dividend analysis to determine the fundamental value of NiSource’s stock. Students are also asked to perform a sum-of-the-parts analysis to assess the implications of NiSource’s recent proposal to pursue a tax-advantaged spin-off of its pipeline business.

**Pinewood Mobile Homes, Inc.**
William E. Fruhan; Wei Wang
Harvard Business School Brief Case #915547 (11 pages)

This case presents a realistic situation in which a firm in financial distress attempts an out-of-court financial restructuring by means of a debt exchange. Pinewood Mobile Homes is a large manufacturer of prefabricated homes,
producing one-story, ranch-style houses; two-
story, single-section, and Cape Cod modular
homes; and townhomes, apartments, and
duplexes. The company has lost the ability to
compete effectively in the marketplace because
it borrowed and acquired aggressively prior to
the housing market crash. In order to avoid
filing for Chapter 11 bankruptcy, Pinewood
Mobile Homes must receive consent from
senior lenders, junior creditors, and sharehold-
ers for a comprehensive restructuring plan.
This case is written for use in elective MBA
courses in corporate restructuring or advanced
corporate finance. It can also be used in upper-
level undergraduate finance courses that cover
financial restructuring and corporate valuation.

Project Titan at Northrop Grumman
C. Fritz Foley; Kevin Sharer
Harvard Business School Case
#215001 (15 pages)

In March 2011, Northrop Grumman divested
shipbuilding assets through the spin-off of
Huntington Ingalls Industries. This case
reviews many of the key questions faced by
Northrop’s CEO, CFO, and top management
team during this process, including questions
concerning whether to sell or spin off the
assets; how to handle customers, employees,
and investors during the restructuring; and
how to reorganize a diversified business to
increase the performance of its parts.

Shanda Games: A Buyout of a
Chinese Family Firm
Emir Hrnjic; David Reeb
Ivey Publishing Case
#W15079 (18 pages) TN

On October 9, 2013, JoS. A. Bank Clothiers
Inc., a large U.S. retailer of men’s tailored and
casual clothing, footwear, and accessories,
made a hostile offer to buy its larger rival
Men’s Wearhouse. The latter made a counter-
offer on January 6, 2014, in what is known as a
Pac-Man defense—the prey turned predator.
JoS. A. Bank responded by adopting a poison
pill, announcing the planned acquisition of
Eddie Bauer, an outdoor apparel retailer. What
started out as a simple offer had turned into
a contest with multiple counteroffers and the
deployment of several takeover defenses. How
should Eminence Capital, a New York-based
hedge fund and the largest shareholder in both
firms, react? How should each firm respond to
the latest offer on its respective table?

GENERAL MANAGEMENT

The Authenticity Paradox
Herminia Ibarra
Harvard Business Review Article
#R1501C (9 pages)

Authenticity has become the gold standard
for leadership. But as INSEAD professor
Herminia Ibarra argues, a simplistic under-
standing of what authenticity means can limit
leaders’ growth and impact. All too often, we
tend to latch on to authenticity as an excuse
for sticking with what’s comfortable. But few
jobs allow us to do that for long. In this article,
Ibarra explains how leaders can develop an
“adaptively authentic” style by experimenting
with many different leadership approaches.

Box. Inc.: Preserving Start-Up
Culture in a Rapidly Growing
Company
Allan Cohen
Babson College Case
#BAB723 (6 pages) TN

This is a case organized around the theme
of preserving an entrepreneurial culture in
the face of rapid growth, including over 800
employees and several offices. Founded by 4
friends, the company has reached over $124
million in annual sales. As of January 23, 2015,
when the company went public, its market
valuation was over $1.5 billion. The company
is particularly conscious of wanting to preserve
the open, action-centered, fun culture that it
has created.

Classic Fixtures & Hardware
Company
W. Carl Kester; Craig Stephenson
Harvard Business School Brief Case
#915523 (9 pages) TN
Instructor & Student Spreadsheets Available

Classic Fixtures & Hardware Company is a
nationally known manufacturer and distribu-
tor of kitchen and bathroom fixtures and trim,
as well as locksets and hardware for doors
and windows. The company is privately held
and has limited access to capital markets, so
it depends on a loan facility with Southwest
National Bank to finance its seasonal working
capital needs. Level production and seasonal
sales result in higher inventory levels and loan
balances in the first half of the year and declin-
ing inventory and loan balances in the second
half of the year. In 2008, Classic’s loan bal-
ces have grown beyond forecasted amounts,
and its CFO believes that Classic will likely be
unable to pay off the loan balance before the
end of the year. The CFO and a senior loan
officer from Southwest have scheduled a meet-
ing in order to determine both the reasons
for this problem and what Classic might do to
turn itself around.

Dylan Pierce at Hanguk Industries
Karthik Ramanna
Harvard Business School Case
#115024 (10 pages) TN

Hanguk Industries’ U.S. country manager,
Peter Lee, has a problem—his star hire, Dylan
Pierce, is threatening to quit. Hanguk is a
large Korean conglomerate multinational that
has been keen to attract foreigners. Dylan was
hired by Peter to work in Hanguk’s U.S. opera-
tions. After 18 months, Dylan was promoted
to company HQ in Seoul, to work with Peter’s
former boss, Dylan, who is gay and who
thrived at Hanguk’s California office, quickly
runs aflush of the conservative culture at
Hanguk’s Korean HQ. Dylan’s boss in Korea
tells him he needs to be less “girly” if he wants
to succeed at the company. Angered, humili-
ated, and confused, Dylan tells Peter he’s ready
to quit. Peter must respond.
Humor or Harassment?
Dianne Bevelander; Jacqueline Nolan; Michael Page; Gina Jardine; Hans Cleton
Harvard Business Review Case #R1506K (5 pages)
Case Commentary Available
Based on an actual business case study: Sema is a Turkish accounts manager who has recently been transferred from her company’s Ankara office to its headquarters in Amsterdam. There she finds that her new boss, Jack, has also just relocated, from Manchester. He gets off on the wrong foot with her by commenting on her short stature, and over the next 6 months she finds his brash, jokey style increasingly offensive. Nevertheless, he demonstrates appreciation and respect for Sema’s abilities. Finally she contemplates lodging a complaint with HR—but that could threaten the success of her team’s project.

Nintendo Wii U: Lessons Learned for New Strategic Directions
Wiboon Kittilaksanawong; Gary Gillet
Ivey Publishing Case #W14682 (17 pages)
By investing in innovation to ensure continuing delivery of new recreational experiences, Nintendo was dominant until the mid-1990s, when the 2 multinational giants Sony and Microsoft entered the market with large investment capital and promotional campaigns. Nintendo competed with these new challengers, but its Wii U and 3DS systems, launched in November 2012, met with little success. In 2014, the company faces many questions as it looks to move forward. Has it lost its innovative edge? Can the new strategic directions—to revitalize existing products, take advantage of smart devices, actively utilize existing character IPs, and expand into other new markets and other new business areas—successfully revive the traditional dominant position of Nintendo in the game industry?

Sergio Marchionne at Chrysler
Rob Kaplan; Bernardo Bertoldi
Harvard Business School Case #415045 (29 pages)
Chrysler recently exited from the bankruptcy process, with U.S. government support and with Sergio Marchionne as CEO. Now was the time to work out how to create synergies with FIAT; how to improve the current manufacturing, product, and distribution network configuration; and how to define the future product portfolio to compete over the long term. In 2004, Marchionne was appointed CEO of FIAT Group, headquartered in Turin, Italy, when the company had faced a near-hopeless crisis. He performed an extreme makeover and turned the company around. In 2008, the entire global automotive industry had entered a deep crisis; in response, FIAT and Chrysler had forged a partnership, and Marchionne now found himself in the same situation again.

Spotify: Face the Music
Isaac Sastre; Govert Vroom
IESE Business School Case #IES473 (20 pages)
The case describes the business model of Spotify, setting it against the backdrop of a music industry that has faced steep revenue declines since the advent of digital formats in the late 1990s and the rise of illegal file sharing. The case also presents the competition Spotify is facing from the likes of Pandora, Google, and Apple and eventually poses the question of whether Spotify has a viable long-term business model despite explosive user and revenue growth as of 2014. The case also considers whether Spotify’s model could eventually return the industry to a path of global growth, as has occurred in some of the markets the company has entered.

Facebook Folly at Northeast BMW (A)
Gabrielle R. Lopiano; Mary A. Watson
NACRA Case #NA0353 (5 pages)
The vice president and general manager of Northeast BMW, a family-owned car dealership, must determine what disciplinary actions to take against an employee who posted defamatory comments and photos to his Facebook page referencing 2 incidents at the

NEW BOOK FOR ACADEMIC USE
Collective Genius
The Art and Practice of Leading Innovation
Authored by Linda A. Hill, Greg Brandeau, Emily Truelove, and Kent Lineback
Students will gain insight into why some organizations can innovate time and again, while many cannot. The authors found among leaders a widely shared, and mistaken, assumption: that a “good” leader would also be an effective leader of innovation. The truth is, leading innovation takes a distinctive kind of leadership, one that harnesses the “collective genius” of the organization. Using vivid stories of leaders at companies like Volkswagen, Google, eBay, and Pfizer, as well as nonprofits and international government agencies, the authors show how successful leaders of innovation don’t try to make innovation happen themselves.

Collective Genius
Available as an eBook
Harvard Business Review Press | #13296
Length: 320 Pages | $28.00
dealership. The first involved a launch event of the redesigned BMW 5 Series model at which the sales staff was dissatisfied with the quality of refreshments offered to potential customers. The employee also posted pictures and disparaging captions about an accident that occurred at the company’s adjacent Land Rover dealership later that week. The vice president learned of the Facebook postings through phone calls from neighboring dealers.

Reinventing Performance Management

Marcus Buckingham; Ashley Goodall
Harvard Business Review Article #R15048 (10 pages)

Like many other companies, Deloitte realized that its system for evaluating the work of employees—and then training them, promoting them, and paying them accordingly—was increasingly out of step with its objectives. It searched for something in real time, more nimble, and more individualized—something squarely focused on fueling performance in the future rather than assessing it in the past. The new system will have no cascading objectives, no once-a-year reviews, and no 360-degree-feedback tools. Its hallmarks are speed, agility, and constant learning, all underpinned by a new way of collecting reliable performance data. To arrive at this design, Deloitte drew on 3 pieces of evidence: a simple counting of hours, a review of research in the science of ratings, and a carefully controlled study of its own organization. With new evidence in hand, the company set about designing a radical new performance management system, which the authors describe in this article

Rethink What You “Know” About High-Achieving Women

Robin J. Ely; Pamela Stone; Colleen Ammerman
Harvard Business Review Article #R1412G (11 pages)

On the occasion of the 50th anniversary of the admission of women to Harvard Business School’s MBA program, the authors, who have spent more than 20 years studying professional women, set out to learn what women HBS graduates had to say about work and family and how their experiences, attitudes, and decisions might shed light on prevailing controversies. What their comprehensive survey revealed suggests that the conventional wisdom about women’s careers doesn’t always square with reality. It is now time, the authors write, for companies to consider how they can institutionalize a level playing field for all employees, including caregivers of both genders. The misguided assumption that high-potential women are “riskier” hires than their male peers because they are apt to discard their careers after parenthood has become yet another bias for women to contend with.

Talent Acquisition Group at HCL Technologies: Improving the Quality of Hire Through Focused Metrics

Debolina Dutta; Sushanta Mishra; Matthew J. Manimala
Indian Institute of Management Bangalore Case #IMB491 (22 pages) TN

HCL Technologies Ltd., India’s fastest-growing IT services company, had radically improved its performance since the announcement of its famous “Employee First, Customer Second” strategy. Although sales, customer, and employee satisfaction, had significantly increased, HCL still lagged its competitors on overall profitability. With personnel costs accounting for a significant part of the operating cost, HCL responded to the changing competitive environment and redesigned its talent management strategy. The case is set in the dynamic context of the growing competitive environment of talent shortages and increasing wage costs in India, where the Talent Acquisition Group (TAG) of HCL is looking to become a true business partner by evolving its service capability to help increase overall profitability.

Why We Love to Hate HR…and What HR Can Do About It

Peter Cappelli
Harvard Business Review Article #R1507C (9 pages)

Complaints against HR, which are nothing new, have a cyclical quality. They’re driven largely by the business context. When companies are struggling with labor issues, HR is seen as a valued leadership partner. When things are smoother all around, managers wonder what the function is doing for them. This is a moment of enormous opportunity for HR leaders to separate the valuable from the worthless and secure huge payoffs for their organizations. The author outlines some basic but powerful steps HR leaders can take.

BlazeClan Technologies: Cloud Computing Adoption in India

Easwar Krishna Iyer; Jayanthi Ranjan
Ivey Publishing Case #W14671 (7 pages) TN

Within a few years of its establishment in 2010 by 4 young engineers in Pune, India, BlazeClan Technologies had prospered as a cloud solutions delivery company by providing true value to its customers around the world. By 2014, though, the company was facing a long and slow sales cycle in the Indian market, where businesses were hesitant to give up in-house data control to the cloud. Though the company invested a lot of marketing dollars in educating this potential segment through events, webinars, social media campaigns, and talks at important industry forums, the customer base was not building and market penetration was not gaining ground. The momentum that was badly needed to push cloud adoption to the next level was also affected by external factors, such as the availability of the Internet, regular service outages leading to network disruptions, resistance to change, and unclear licensing issues. The company had a number of decisions to make to go forward.

The Case for ‘Benevolent’ Mobile Apps

Glen L. Urban; Fareena Sultan
MIT Sloan Management Review Article #SMR513 (7 pages)

Smartphones make up an increasing share of mobile devices, and mobile apps are among smartphones’ most popular features. For companies, apps provide ample revenue opportunities. Mobile advertising has seen triple-digit percentage growth each year since PricewaterhouseCoopers began capturing this data in 2010. Yet some people have doubts about the effectiveness and viability of mobile advertising and believe that apps are a better medium. Authors Glen L. Urban and Fareena Sultan think one of the most effective uses of mobile media will be apps that are designed to build trust. They call these “benevolent” apps because the apps’ value is directly tied not to selling products but rather to advancing consumers’ interests and helping them solve problems or make decisions.
Disrupting Wall Street: High Frequency Trading
Derrick Neufeld; Brad Evans
Ivey Publishing Case #W14540 (11 pages)

Michael Lewis’s book Flash Boys revealed to the public numerous controversial Wall Street trading practices made possible by advances in technology, as well as regulatory changes that were (ironically) intended to improve pricing fairness in the financial markets. Lewis’s story focused on the man who blew the whistle: Brad Katsuyama, a Canadian banker who ran the New York trading desk for the Royal Bank of Canada. In 2010, he had noticed some odd system responses to his trading requests and began to ask questions. The answers he discovered, and publicized, about high-frequency trading set off a firestorm regarding the moral integrity of the financial markets. Very few people understood what was happening, and fewer still comprehended the central role played by information technology.

Growing the Online Portal of Business Fundas
Arpan Kumar Kar
Ivey Publishing Case #W14761 (13 pages)

Business Fundas, a portal that publishes educational business and management articles, is situated within the electronic publishing industry, which has many players and is highly fragmented. The start-up company faces many challenges in its efforts to position itself for growth and to take advantage of various innovative value propositions and business models. The senior managers hope to gain insights into user-specific trends through the use of data analytics.

Starbucks Canada: The Mobile Payments Decision
Deborah Compeau; Cato Pastoll; Tyler Rochwerger; Brandon Vlaar
Ivey Publishing Case #W15169 (12 pages)

In December 2012, the management of Starbucks Canada, an autonomous subsidiary of the U.S.-based coffeehouse chain, is trying to decide how best to implement mobile payments in its 1,350 locations across Canada. While the company is using a mobile application to accept payments through its proprietary Starbucks Card, rival Tim Hortons has recently introduced a more advanced mobile payment solution. There are many new and emerging technologies to choose from, including Square Wallet, Bluetooth Low Energy Beacons, MintChip, and mobile wallet/credit card near-field communication. Will these systems allow for an enhanced store experience?

Vietnam’s Embrace of ICT for Economic Development: Success and Future Challenges
Vu Minh Khuong; Robert D. Austin
Ivey Publishing Case #W15081 (26 pages)

Vietnam has made impressive economic gains over a period of 3 decades, following the Doi Moi reforms of 1986. Before reform, the country’s socialist economy had been unable to displace the poverty that had plagued the country in the aftermath of the Vietnam War. After reform, Vietnam has experienced many years of sustained growth, as evidenced by its advances on several economic performance rankings. By 2014, Vietnam’s rankings compared favorably with those of many of its Asian neighbors. A major feature of the country’s strategy for economic development was its emphasis on information and computing technologies. Students will analyze Vietnam’s past successes to extract lessons that can lead to additional future success.

The Vulnerability Economy: Zero-Days, Cybersecurity, and Public Policy
Venkatesh Narayanamurti; Ryan Ellis
Harvard Kennedy School Case #KS1013 (11 pages)
Epilogue Supplement Available

In 2011, Dillon Beresford, a computer security expert, discovered a series of new vulnerabilities impacting components of widely used industrial control systems. These new, previously unknown vulnerabilities—what are known as “zero-days”—were potentially very serious. Zero-day vulnerabilities are key components of computer viruses, worms, and other forms of malware. Vendors and security firms seek these flaws in order to patch and fix insecure software and hardware. Increasingly, however, nation-states and criminals purchase zero-days from independent security researchers in order to develop new destructive cyberweapons and capabilities. Managing the growing trade in zero-day vulnerabilities is a key challenge for policymakers and corporate leaders. The case follows Beresford as he discovers a set of new zero-days and considers the different disclosure options available to someone in his position.

INTERNATIONAL BUSINESS

Frogtek: Mobile Technology for Micro-Retailing
Margaret Pierson; Garrett J. van Ryzin
Columbia Business School Case #CU36 (26 pages)

Founded by Columbia Business School classmates, Frogtek was created as a technology business with a social mission: to help micro-retailers in Latin America improve their operations through applications loaded onto mobile phones. While the market was large—400,000 micro-retailers operated in Colombia alone—and store owners appeared interested in the service, the right approach was far from clear. The company’s founders struggled with questions such as how to distribute the mobile applications and how much to charge the generally low-income store owners. In this case, students work on an operational strategy for the seed-funded start-up after examining its business plan, social goals, market opportunity, and competitive environment. This case covers operational, entrepreneurial, and technological challenges in micro-retail and supply chain management in developing economies. The focus is on the “bottom of the pyramid” retail context.

GreenWood Resources: A Global Sustainable Venture in the Making
Lei Li; Howard Feldman; Alan Eisner
NACRA Case #NA0310 (21 pages)

GreenWood Resources Inc., a Portland, Oregon, USA-based investment and asset management company, had a worldwide focus on high-yield and fast-growing tree farms. GreenWood had struggled for almost 10 years to obtain significant investment funds until 2007-2008. Through persistent effort, GreenWood built the key elements (people, resources, and business networks) for a successful venture despite the serious early
financial, cultural, and political questions that arise when a company considers relocating some of its manufacturing abroad.

Walmart: From China to India
Rajeev Kohli; Alonso Martinez
Columbia Business School Case
#CU71 (31 pages)

In September 2012 Walmart became the first multinational retailer to announce entry into India. The company would need to invest heavily in processing, refrigeration, storage, and information systems to open and operate stores in the country. The international division’s executives had thought that similar investments would pay off when they invested in retail stores in China, only to experience early missteps. This case provides background information about the retail environment in both China and India and summarizes Walmart’s experiences in both countries, asking students to suggest a plan for Walmart’s expansion into India that aligns well with its global strategy and proven business strengths.

MARKETING

AIP Healthcare Japan: Investing in Japan’s Retirement Home Market
John A. Quelch; Qing Xia
Harvard Business School Case
#515102 (18 pages)

The CEO of a health care-based REIT is considering alternative nursing home investment strategies. Students must consider macro industry trends, scale and scope issues, and consumer segmentation data in making their recommendations.

American Well: The DTC Decision
Elie Ofek; Natalie Kindred
Harvard Business School Case
#515032 (30 pages)

In late 2013, telehealth company American Well, which developed a digital platform that allowed patients to conduct online medical consultations with physicians, is considering pursuing a direct-to-consumer (DTC) strategy. To date, American Well had primarily sold its solution to health plans, which then provided online care services to their members using their own brand names. But a surprisingly small number of individual members had actually used the online care service. American Well management believed low consumer awareness—the result of insufficient marketing by health plans, among other factors—was hampering uptake of what should have been a highly valuable offering for all stakeholders involved. They wondered whether a DTC approach, in which American Well would become a consumer brand and market a telehealth service directly to the public—for example, through a mobile app—could drive utilization and catapult the business to the next level. The case forces students to grapple with the challenges and barriers involved in disrupting an established industry, examine alternative go-to-market strategies and the timing of implementing them, and consider different business models to manage supply and generate revenues.
Banking on Social Media (A)
Luisa Mazinter; Nicola Kleyn; Michael Goldman; Jennifer Lindsey-Renton
Ivey Publishing Case
#W14684 (11 pages) \[TN\]
B Case Available

First National Bank (FNB), one of South Africa’s “Big Four” banks, has invested in a strategy of innovation to grow its market presence in South Africa, other emerging-market African countries, and India. In line with its strategy to lead digital banking in South Africa, FNB invested in building a social media strategy to enable the brand to strengthen its relationships with customers through building customer knowledge and stickiness and humanizing its brand. In 2012, FNB’s head of digital marketing and media sees a tweet from Standard Bank stating that it has instructed its attorneys to lodge a complaint against what it alleges to be FNB’s misleading advertising. She wonders whether Standard Bank’s use of Twitter to communicate this competitive action is related to FNB’s extensive and well-publicized use of the micro-blogging service. She knows that the debate on Twitter will be a significant indicator of whether her social media strategy has been successful. How can FNB continue to differentiate itself and alleviate the pressure on non-interest revenues?

The Blonde Salad
Anat Keinan; Kristina Maslauskaite; Sandrine Crener; Vincent Dessain
Harvard Business School Case
#515074 (25 pages)

In 2014, Chiara Ferragni, a globe-trotting founder of the world’s most popular fashion blog, The Blonde Salad, had to decide how to best monetize her blog as well as her shoe line, called the Chiara Ferragni Collection. A year earlier, Ferragni, together with her team, had already made a decision to transform her blog into an online lifestyle magazine and to build its positioning as a high-end brand. It meant that The Blonde Salad envisaged cooperating with only a limited number of luxury fashion advertisers, inevitably reducing the blog’s revenues. Ferragni considered changing the revenue-generating model by incorporating an online marketplace within The Blonde Salad, but which strategy and timeline would she need to achieve her aim? Should Ferragni’s shoe line, a separate company with a different ownership structure, be merged with The Blonde Salad, or was it desirable to keep the 2 apart?

Burberry in 2014
Anita Elberse
Harvard Business School Case
#515054 (27 pages)

In February 2014, Burberry’s chief executive officer Angela Ahrendts is preparing to hand the reins of the English luxury fashion company to chief creative officer Christopher Bailey. Under Ahrendts and Bailey’s partnership, in place since 2006, Burberry’s revenues have tripled to more than 2 billion English pounds, and operating profits have more than doubled. Ahrendts has led Burberry to become a brand that once again stands for luxury and has a strong global and digital footprint. Yet the leadership change is met with skepticism. Is Burberry’s current strategy also the right one for the future, and can Bailey continue Burberry’s transformation?

Carolinas HealthCare System: Consumer Analytics
John A. Quelch; Margaret Rodriguez
Harvard Business School Case
#515060 (16 pages) \[TN\]

In 2014, Dr. Michael Dulin, chief clinical officer for analytics and outcomes research and head of the Dickson Advanced Analytics (DA2) group at Carolinas HealthCare System (CHS), successfully unified all analytics talent and resources into one group over a 3-year period. Rapid increases in computing power and decreases in data storage costs had enabled DA2’s data architects to build predictive models incorporating complex clinical, financial, demographic, and claims data that would have been impossible to create only a few years before. However, in 2014, both Apple and Google announced features in their new mobile operating systems that collected and displayed output from various health-wearables, as well as electronic medical record (EMR) data. Their expertise in analytics and access to demographic and location data, as well as large consumer bases, led Dulin to consider which players consumers would trust to integrate their health care data in the future and what role DA2 could play.

CJ E&M: Creating a K-Culture in the U.S.
Elie Ofek; Sang-Hoon Kim; Michael Norris
Harvard Business School Case
#515015 (26 pages)

Buoyed by the success of K-pop music and K-drama television shows in Asian countries, Jay Lee, chairman of the South Korean

NEW!

Public Administration Curriculum Map

This new curriculum map recommends HBP course materials well suited for common topics in the field of Public Administration. Suggestions include cases and articles, many with Teaching Notes.

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conglomerate CJ Group, believed that the time was ripe for taking Korean cultural content to the West. One initiative, carried out by the group’s entertainment and media (E&M) division, was a daylong fan convention, called KCON, that was held in Irvine, California, in October 2012 and featured various Korean cultural elements, such as music, dance, film, and food. In the spring of 2013, Micky Lee, the group’s vice chairman, called a meeting with key executives to review the results of KCON 2012 and make a recommendation to the chairman on whether to hold a similar event in 2013. As part of their deliberations, the executives were expected to consider where a potential 2013 convention should be held, which artists to invite, which target consumers to focus on, how to price tickets, and how to attract more sponsors. With KCON 2012’s having lost money despite a robust turnout, it was far from clear whether to repeat the event and, if so, whether its scale should be expanded beyond 2012’s $1.1 million budget.

Colgate-Palmolive Canada: Fighting for a Share of the Toothpaste Market

Michael Taylor; Ramasstry Chandrasekhar
Ivey Publishing Case #14625 (15 pages) TN

After several years of being in a near-steady state, the market share of Colgate-Palmolive Canada Inc. in the toothpaste category has gathered momentum in 2012. In a bid to extend the gap between the company and its primary competitors in the category in 2013, the vice president of customer development is discussing the options with his team at company headquarters in Toronto. Market share is an important performance metric at the company. One suggestion is to increase the marketing budget. There is a general consensus that marketing dollars should not be diffused across activities during the year, but there are differences of opinion about what to focus on—trade promotions, consumer promotions, or advertising—in order to sustain the momentum in market share in 2013.

Continental Hope Group

Christopher Marquis; Qi Li
Harvard Business School Case #415050 (22 pages)

This case provides an opportunity to examine and discuss how a traditional Chinese private business was launched and developed into a globalizing, multi-industry corporation. It also highlights how second-generation entrepreneurs successfully developed an innovative industry model to sustain a green and profitable business; how the company valued, motivated, and retained its talent; and how Chinese private enterprise can go global.

CVS Health: Promoting Drug Adherence

Leslie John; John A. Quelch; Robert S. Huckman
Harvard Business School Case #515010 (12 pages) TN

The case describes a program that CVS Health recently implemented to improve medication adherence, an important problem from societal, public policy, and firm perspectives. A test of the program, costing hundreds of thousands of dollars to implement, increased the proportion of adherent customers by 1.4 percentage points. Students are asked to quantify the system-wide economic benefit of this improvement and draw upon insights from behavioral science to examine approaches for boosting medication adherence.

Dubai’s Dhamani: Becoming a Global Jeweler?

Lynda M. Applegate; Lisa Mazzanti
Harvard Business School Case #815087 (27 pages)

Dhamani started as a dealer in loose gemstones in 1969 in Jaipur, India. By the 2000s, it was headquartered in Dubai, United Arab Emirates, and had expanded into diamonds and retail. The family business was now in its second generation of leadership and aimed to become a top global jewelry brand within the next 10 years. The family had been successful throughout its various inflection points in the past—but had it positioned itself well enough to soon begin competing with the global, high-end jewelry houses, such as Cartier and Bulgari?

Ethiopia: An Emerging Market Opportunity?

John A. Quelch; Sunru Yong
Harvard Business School Brief Case #915501 (8 pages) TN

This case centers on the potential and challenges of entering an emerging market. It provides a brief overview of the Ethiopian market, market reforms and policies, and the business environment faced by foreign companies. Three multinational businesses, CareCo, ShoeCo, and MedCo, must decide whether and how to enter the Ethiopian market. Students are asked to make a recommendation for each company based on the attractiveness of the market, the factors that matter most for success, and an assessment of what applies to the companies.

Lululemon Athletica Inc.: Moving Forward with Humility

Mary Weil; Julia Cutt
Ivey Publishing Case #14320 (8 pages) TN

On March 27, 2014, the new chief executive officer of Lululemon Athletica Inc., headquartered in Vancouver, British Columbia, has just announced the previous year’s flat 4th quarter results. These unimpressive financial figures have amplified the need to address the company’s damaged reputation. In 2013, the apparel brand faced a product recall and a public relations backlash after a controversial interview and botched apology by its founder, as well as the resignation of several key executives. A communications strategy must be devised to repair the company’s reputation and regain the trust of both investors and customers.

NASCAR: Leading a Marketing Transformation in a Time of Crisis

Eric T. Anderson; Vasilia Kilikbarad
Kellogg School of Management Case #KEL889 (15 pages) TN

It is February 2011, and Brian France, CEO of NASCAR (the National Association for Stock Car Auto Racing), is facing a crisis. In the past 3 years, attendance at weekend NASCAR races has fallen 22% and television viewership has declined 35%. Key marketing sponsors have recently left the sport. At the same time, the U.S. economy has only begun to recover from an economic recession that has had an adverse impact on the sport of auto racing as a whole. Some leaders within NASCAR counseled Brian that these trends in attendance, viewership, and sponsorship stemmed from the recession and that NASCAR should continue with business as usual. But Brian sensed that the industry needed fundamental change and that he was the one who must lead this
change. NASCAR embarked on an unprecedented amount of qualitative and quantitative research to assess the strengths and weaknesses of the entire industry. At its heart, this is a case about great leadership and transforming marketing throughout an entire industry. A wrap-up video from CEO Brian France summarizes how NASCAR executives tackled the difficult questions posed in the case.

Malaysia Airlines: The Marketing Challenge After MH370 and MH17
Neeraj Pandey; Gaganpreet Singh
Ivey Publishing Case #W15214 (14 pages) TN

The chief executive officer of Malaysia Airlines (MAS) had the daunting task of sustaining a business that had suffered the tragic loss of 2 of its airliners in a span of just 4 months. Prior to this, a $392 million loss, as well as the inability to compete with lower-cost carriers, had posed a great challenge to MAS. Management was planning to initiate a cost-cutting strategy to manage pricing and the competitive challenges of the aviation industry when these incidents shocked the world. The disasters greatly impacted customer confidence, as reflected in the company's declining booking rates and stock prices. With its reputation severely damaged, MAS was faced with many hard-hitting questions from various stakeholders about the airline’s prospects. Many felt there was a need to transform the entire business model. The top executives pondered various options, including a rebrand of the airline, a new discounted pricing structure to build volume, a private equity infusion, a merger, and filing for bankruptcy. Each option would have to be considered very carefully, as the changes made to the business would decide the future of MAS.

The Nokia N8 “Push Snowboarding” Campaign: An Avant-Garde Social Media Strategy from Engagement to Sales
David Dubois; Pal Kaur Mastak
INSEAD Case #INS945 (10 pages) TN

The case illustrates an innovative integrated marketing campaign by Nokia to promote its new phone, the N8. In early January 2010, Stuart Wells, integrated global campaign lead at Nokia, initiated and supervised the execution of an ambitious integrated marketing campaign. The case follows the decision-making process step-by-step, with particular attention to the use of digital channels in the launch strategy and to social media measurement and ROI.

Rebranding Godiva: The Yildiz Strategy
Rohit Deshpande; Esel Cekin
Harvard Business School Case #515059 (21 pages)

This case concerns Yildiz Holding's acquisition of Godiva Chocolatier from its previous owner, Campbell Soup, and its strategy in preserving Godiva’s “made in Belgium” brand position. Provenance paradox, a problem faced by companies in emerging countries trying to establish their brands in developed markets, had not become a problem for Yildiz Holding. After patiently waiting 5 years and seeing the company not performing as desired, Murat Ulker, the chairman of Yildiz, decides to change the management structure and encourage rethinking brand positioning, channels, and communications in the U.S. market. How was the Godiva brand affected by the execution problems of previous management? Why did Godiva succeed in international markets while it declined in the U.S.?

Ricky Martin: The Role of Reputation in a Celebrity’s Career
Sheila Marie Cruz-Rodriguez; Victor Quinones
Ivey Publishing Case #W14720 (8 pages) TN

Globally acclaimed singer, actor, author, and Grammy Award-winner Ricky Martin “decided [on March 29, 2010] to put an end to the hell that was going on inside [his] mind” by using Twitter to openly declare his homosexuality. Issues posed by the revelation included: what options were available to Martin’s management before and after the revelation in order to effectively deal with situations that could have jeopardized Martin’s career and future projects? Should those close to Martin have planned for a potential brand-repositioning strategy? If so, how should they have handled it?

Stella McCartney
Anat Keinan; Sandrine Crener
Harvard Business School Case #515075 (4 pages)

Stella McCartney launched her own fashion house under her name in a partnership with the luxury conglomerate Kering as a 50/50 joint venture in 2001. A lifelong vegetarian,
Stella McCartney does not use any leather or fur in her collections, which include women’s ready-to-wear, handbags, shoes, lingerie, eyewear, fragrance, and a kids’ line. Stella McCartney’s achievement in fashion and social awareness has been recognized on many occasions, and her commitment to sustainability is present throughout all her collections and numerous environmental and charitable initiatives. As climate change is becoming a more pressing issue, companies are pressured to embrace a more sustainable approach to their business. With fashion and luxury industries progressively rising to this challenge, what does it mean for Stella McCartney’s brand’s ethos to be a responsible, honest, and modern company?

NEGOTIATION

Bakra Beverage—Confidential Instructions for BebsiCo’s Director of Middle East Operations

Dan Vogel; Robert C. Bordone

This role-play case is accompanied by Confidential Instructions for Bakra Beverage’s Sales Director (#PON054). Bakra Beverage is a 2-party, nonscorable negotiation between a beverage manufacturer and a soft drink distributor over the terms of a potential distribution contract. BebsiCo is a multibillion-dollar, multinational soft drink manufacturer interested in expanding its operations into the Middle Eastern country of Kumar. The distributor that was supposed to handle BebsiCo’s new distribution campaign, Kabir Cola, decided suddenly last week to close its Kumari operations and focus on other Middle Eastern countries. BebsiCo is eager to sign a new distribution contract with Kumar-based Bakra Beverage, a financially troubled but reputable soft drink distributor. Bakra wants this contract, which would put it back on the map, attract additional clients, and give the company confidence and certainty about its future. The simulation includes a range of possible criteria for determining the fee, as well as numerous possibilities for value-creating options.

Henry A. Kissinger as Negotiator: Background and Key Accomplishments

James K. Sebenius; Laurence A. Green
Harvard Business School Case #915020 (18 pages)

This case briefly summarizes the career of U.S. diplomat Henry A. Kissinger and 3 of his most pivotal negotiations: the historic establishment of U.S. diplomatic relations with China, the easing of geopolitical tensions with the Soviet Union, and the mediation of the Sinai disengagement agreement between Egypt and Israel.

Scoring a Deal: Valuing Outcomes in Multi-Issue Negotiations

Daniel Ames; Richard Larrick; Michael Morris

This case describes a method for valuing outcomes and appraising trade-offs in a multiple-issue negotiation. Employing an illustrative example, this case details the step-by-step process of articulating, testing, and revising scores that may help negotiators clarify their own preferences and priorities.

OPERATIONS MANAGEMENT

Credem: Banking on Cheese

Nikolaos Trichakis; Gerry Tsoukalas; Emer Moloney

Harvard Business School Case #615046 (25 pages)

Credem, an Italian regional bank, grants loans to Parmigiano-Reggiano producers and holds the cheese as collateral in its own warehouse during the maturation process, essentially replacing part of the operations for the cheese producers and gaining deep operations expertise.

DHL Supply Chain

Singfat Chu; David Ringrose
Ivey Publishing Case #W12888 (3 pages)

The degradation of the environment has led many governments and customers to pressure businesses to make their operations more nature friendly. The case illustrates an effective example of corporate social responsibility. Specifically, it demonstrates how a small increase in a supply chain budget can drastically reduce carbon dioxide (CO₂) emissions in the transportation of LCD TVs from their manufacturing bases to a distribution center.

The I-PASS Patient Handoff Program

Robert S. Huckman; Michael Norris
Harvard Business School Case #615069 (11 pages)

In 2015, the I-PASS Patient Handoff Program, led by 6 pediatricians around the U.S., had to determine the best way to disseminate their program, which had been proven to reduce communication errors in patient handoffs in hospital settings. Should they turn it into a standalone business, continue publishing in academic journals, license their content to an established medical vendor, or do some combination of these? This case allows students to develop and evaluate approaches to disseminating simple and proven innovations with complex service settings.

Niagara Falls Construction Project: Scheduling, Resources, Costs, and Bureaucracy

Kenneth J. Klassen; Barry Riddell

Ivey Publishing Case #W15192 (12 pages)

A homeowner and his family finally have an offer on their residence. The terms negotiated with the buyers require the homeowner to build a detached garage on the property before the closing date on August 30, 2013, which is in 16 weeks. The homeowner’s family has also made a conditional offer on another home, and the condition must be removed in 2 days if they would like to finalize that purchase.

Although proficient at construction, the homeowner has encountered a major addition to his timeline on May 1. The city is requiring that he obtain a variance approval before the building department issues the building permit, thereby delaying the start of construction by between 9 and 10 weeks. The homeowner must decide whether to go ahead or cancel the sale of the residence and the purchase of a new home.
Ranger Creek Brewing and Distilling
Jorge Colazo
Ivey Publishing Case #W14673 (13 pages)

In September 2013, Ranger Creek Brewing and Distilling was in its 3rd year of operations and had so far been a success. Its beers and bourbons had won several tasting awards, and its financials were meeting expectations, but the management team was starting to feel acute growing pains. Before the owners could even focus on growth plans, there were some unanswered questions they needed to tackle. Considering the current production records, what was the maximum attainable capacity of the plant? Would brewing capacity need to be expanded, and if so, what equipment should be purchased? The owners had to choose an operational scenario for the 2014-2015 capital and manpower budget that would address these, among other, concerns.

The Thermostat Industry: Transformation from Analog to Digital
Karim R. Lakhani; Kerry Herman; Christine Snively
Harvard Business School Background Note #615038 (13 pages)

This note examines the evolution of the thermostat industry as it transitioned from analog to digital technologies. It presents an overview of key industry participants and the shift in value creation and value capture models for firms.

Toffee Inc.: Demand Planning for Chocolate Bars
Jitendra R. Sharma
Ivey Publishing Case #W15155 (5 pages)

The inventory manager of sales and distribution for Toffee Inc., a confectionery company, had just concluded a meeting with all relevant personnel. The meeting had not been entirely positive. The words of the production manager still echoed in his ears: “If the ingredient inventory is not re-examined and reworked to the firm’s advantage, then soon the final products based on these ingredients will cease to yield the kind of profits that the firm expects.” The inventory manager needed to prepare a comprehensive forecasting and inventory management plan with a view to minimizing the cost of managing the supply chain by the judicious use of resources, better forecasting, and improvement in the ingredient inventory purchasing and management systems.

ORGANIZATIONAL BEHAVIOR

BlackRock: Diversity as a Driver for Success
Boris Groysberg; Katherine Connolly
Harvard Business School Case #415047 (36 pages)

In July 2014, the global executive committee (GEC) for BlackRock, the world’s largest asset manager, held a 2-day off-site meeting to discuss the state of talent within the firm. A year prior, in 2013, Chairman and CEO Laurence “Larry” Fink had asked Global Head of HR Jeff Smith to outline to the GEC the firm’s diversity and inclusion efforts, benchmarking its progress against 8 practices associated with building more inclusive cultures. At the July 2014 off-site meeting, Smith and Kara Helander, global head of philanthropy and diversity and inclusion (D&I), provided a summary of the firm’s journey to date and an update on its progress. The message from Fink at the July meeting was clear: the firm needed to do more. This message was also reinforced by the board, which wanted to see an increase in diversity in succession plans and leadership ranks. Smith and his team needed to work with the GEC to lead the change. What needed to be done next? What were the greatest challenges and opportunities facing the firm, and how could D&I initiatives help address them?

The Board of Directors at Market Basket
Jay W. Lorsch; Emily McTague
Harvard Business School Case #415044 (33 pages)

The firing of Market Basket CEO Arthur T. Demoulas by his cousin, Arthur S. Demoulas, and directors affiliated with Arthur S. set off employee protests throughout the grocery store chain. Industry specialists estimated that Market Basket was losing close to $10 million each day in business and inventory, due to the protests. A long history of legal battles had destroyed the relationship between the families of the 2 cousins. This case describes the complexities of corporate governance for a family-owned organization.

Caroline Regis at Excel Systems
Anthony J. Mayo; Michael J. Roberts
Harvard Business School Brief Case #915515 (10 pages)

The case describes the effects of a proposed change in Excel’s manufacturing strategy as seen through the eyes of the company’s VP of Manufacturing, Caroline Regis. Following a merger with Gemini, Excel’s new CEO advocates a new manufacturing strategy: outsourcing. Regis is threatened by the diminution in the role of in-house manufacturing and by the VP for Supply Chain Management at Gemini. The case traces Regis’s reactions to the proposal. She seems ready to accede to the organizational politics and support the new strategy, only to change her mind and anger her superiors, who thought she would support the plan. She tries to seize control of the situation and threatens to resign if she is not allowed to determine the appropriate strategy. The case facilitates analysis and discussion of career and personal development issues regularly faced by high-potential employees by showing that particular career and behavior strategies that are successful at one point can become dysfunctional as professionals advance through an organization.

The Influence of Cultural Values in Business Practice
Kristin Behfar; Sylvie Thompson; Gerry Yemen
Darden School of Business Background Note #UV6866 (13 pages)

Culture is a highly complex set of learned behaviors that function at multiple levels. Cultural challenges go beyond overcoming language differences and navigating different national legal systems. Cultural values interlock with many national systems, which influence the way business is developed and how deals are made. Managers who understand how to navigate such differences are in high demand.

JPMorgan Chase: Tapping an Overlooked Talent Pool
Boris Groysberg; Katherine Connolly
Harvard Business School Case #415066 (19 pages)

By the spring of 2014, the pilot had come to an end for JPMorgan Chase’s ReEntry Program, a
program designed for women coming back to the workforce after a period of time away. Mary Callahan Erdoes, CEO of asset management, and her team had to evaluate whether or not the program had been successful. Participants and managers both had provided some anecdotal positive feedback on the program, but Erdoes wanted to know how they could truly calculate the ROI. Wall Street was a data-driven place to work, and if they wanted to create something that would survive beyond the tenure of the firm’s existing leadership, they had to prove that the time, money, and energy invested by the firm were worth it. Calculating ROI would also help them prepare for subsequent runs of the program and determine in what ways, if any, they should differ from the pilot. What factors should Erdoes and her team consider when calculating ROI? How can they position the program to ensure its survival?

Leaders as Decision Architects
John Beshears; Francesca Gino
Harvard Business Review Article
#R1505C (12 pages)

Everyone, from CEOs to frontline workers, commits preventable mistakes. It is extraordinarily difficult to rewire the human brain to undo the patterns that lead to such mistakes. But there is another approach: alter the environment in ways that encourage people to make decisions that lead to good outcomes. Leaders can do this by restructuring how work is performed, say Harvard Business School’s John Beshears and Francesca Gino. In this article, they offer a 5-step process for mitigating the effects of cognitive biases and low motivation on decision making.

Marie Jackson: Revitalizing Renfield Farms
Anthony J. Mayo; Heather Beckham
Harvard Business School Brief Case
#915555 (10 pages)

Marie Jackson becomes chief executive officer of Renfield Farms during a period of sluggish growth and an organizational crisis. Jackson develops a new vision statement and begins to experience some success but is met with some skepticism from internal employees because the company’s structures and systems do not seem to support the new vision. This case focuses on how Jackson engages and leads a senior team in formulating a vision during a period of change.

Tata Motors: Compensation Restructuring
Zubin R. Mull; Vineet Soni; Tanushree Mishra
Ivey Publishing Case
#W15144 (10 pages) Student Spreadsheet Available

The head of performance and rewards at Tata Motors Limited (TML) was reviewing reports and deliberating their implications. The company had just embarked on a major initiative to identify employees’ concerns, and the results were not good. Employees across all levels, including senior leadership, were unclear about their compensation. The employees were not the only ones who were puzzled; even the recruitment team at TML had no clear basis for determining and comparing the salaries of new recruits. Something needed to be done. Should it be a major restructuring of the compensation, or could the matter be solved by simply educating the employees? Should the company remove some of the components from its compensation structure to make it simpler?

SALES

How to Really Motivate Salespeople
Doug J. Chung
Harvard Business Review Article
#R1504C (9 pages)

Much of what we believe about the best ways to compensate and motivate the sales force is based on theory and lab experiments. But in the past decade, researchers have been moving out of the lab and into the field, analyzing companies’ sales and pay data, and conducting experiments involving actual salespeople. The findings from this new wave of research support some current compensation practices but call others into question.

Organization Behavior Simulation: Judgment in a Crisis

Authored by Michael A. Roberto, Bryant University

In this single-player simulation, students respond to a high-stakes product crisis. Customers report problems with the recently launched GlucoGauge blood glucose monitor. Acting as product managers, students receive a rapid series of messages about the reported problem. They must quickly process this information, assess the situation, and make recommendations about how Matterhorn Health should respond. This simulation explores cognitive bias and decision-making during a crisis.
SOCIAL ENTERPRISE

DePaul Industries in 2012: Financing Growth in a Social Venture
Silvia Dorado; Emmanuel ER Raufflet; Dave Shaffer
NACRA Case #NA0325 (12 pages)

When a bank denies a mortgage loan to DePaul Industries—a group dedicated to finding employment opportunities for the disabled—CEO Dave Shaffer sees it as yet another example of a financial institution’s misunderstanding DePaul’s hybrid social venture nature—namely its integration of social welfare and economic goals.

Fighting Childhood Pneumonia in Uganda
Tim Calkins; Kara Palamountain; Aniruddha Chatterjee; Robert Frantz; Elizabeth Hart; Sean Mathewson; Gabriela Perez-Hobrecker
Kellogg School of Management Case #KEL874 (17 pages)

It is January 2014, and David Milestone (senior advisor at the Center for Accelerating Innovation and Impact at the U.S. Agency for International Development’s Global Health Bureau), is preparing for a meeting of global stakeholders and pharmaceutical manufacturers that are interested in reducing mortality caused by childhood pneumonia and are prepared to donate $10 million to support this effort. Milestone’s goal is to propose a strategy to address childhood pneumonia in Uganda, toward which the $10 million donation would go. In addition to effectively and sustainably reducing childhood pneumonia deaths, the plan must align the interests of various stakeholders with the problem. A successful strategy in Uganda could be a model for interventions elsewhere.

Grameen America: An Approach to Mitigating Poverty in the United States
M. Suresh Sundaresan
Columbia Business School Case #CU77 (19 pages)

Grameen America, an independent not-for-profit organization using Grameen Bank’s lending methodology and expertise, was launched in 2008 in Queens, New York. It targeted the growing segment of the U.S. population that was underserved by traditional financial institutions. What changes, if any, would Grameen America need to make in applying Grameen’s business model to the U.S. market? And what were its prospects for future growth?

LaborVoices: Bringing Transparency to the Global Supply Chain
Ronald M. Roman; Anne T. Lawrence; Chirag Amin
NACRA Case #NA0327 (13 pages)

Social entrepreneur Kohl Gill founded LaborVoices in 2010 to allow workers in supplier factories for major brand companies to use mobile phones to share information about factory conditions.

Making Hybrids Work: Aligning Business Models and Organizational Design for Social Enterprises
Filipe Santos; Anne-Claire Pache; Christoph Birkholz
California Management Review Article #CMRS93 (23 pages)

Hybrid organizations pursuing a social mission while relying on a commercial business model have paved the way for a new approach to achieving societal impact. Although they bear strong promise, social enterprises are also fragile organizations that must walk a fine line between achieving a social mission and living up to the requirements of the market.

This article moves beyond generic recommendations about managing hybrids in order to highlight a typology of social business hybrids and discuss how each of the 4 proposed types of hybrid organizations can be managed in order to avoid the danger of mission drift and better achieve financial sustainability.

The Truth About CSR
V. Kasturi Rangan; Lisa A. Chase; Sohel Karim
Harvard Business Review Article #R1501B (11 pages)

There is increasing pressure to demand that every corporate social responsibility (CSR) initiative deliver business results. The authors argue that this is asking too much of CSR and distracts from its main goal: to align a firm’s social and environmental activities with its business purpose and values.

STRATEGY

$19B 4 txt app WhatsApp...omg!
David J. Collis; Ashley Hartman
Harvard Business School Case #715441 (33 pages)

In February 2014, Facebook announced the acquisition of WhatsApp for $19 billion. WhatsApp, founded in 2009, was a relatively young company that employed only 50 people and earned merely $10 million in revenue in 2013. It was one of many mobile messaging services that allowed users to contact each other without paying costly text message fees. However, its popularity and growth potential enticed Facebook, a company facing many challenges and looking for opportunities to expand its user base. Facebook, the social networking web site that allowed users to share information with friends, believed WhatsApp was a logical next step that would help it achieve its mission of “making the world more open and connected.”

Apple Inc. in 2015
David B. Yoffie; Eric Baldwin
Harvard Business School Case #715456 (30 pages)

This case explores the history of Apple, its successes under Jobs, its continued growth under Tim Cook, and the challenges facing the company in 2015. With iPod sales...
continuing their free fall, tablet sales in decline, and the Macintosh’s market share remaining small, Apple was increasingly dependent on the iPhone to drive its growth. Could Cook continue Apple’s dominance and revitalize the iPad business; become a leader in payments, with Apple Pay; and replicate Apple’s success in other device categories?

Balancing the Power Equation: Suzlon Energy Limited
Snehal Awate; Ram Mudambi; Arohini Narain
Indian School of Business Case #ISB049 (17 pages)

Set in 2013, the case documents the challenges encountered by an emerging economy multinational enterprise (EMNE) when accessing R&D knowledge from its technologically superior subsidiary. Further, it shows the strategies that Suzlon, an Indian wind turbine manufacturer, adopted to catch up with global industry leaders. It tracks how Suzlon’s astute and aggressive chairman, Tulsi Tanti, led the company to develop the capabilities to perform higher-value-added activities despite being a late industry entrant and, moreover, one from an emerging economy. The setting for the case is the global wind power industry, an emerging high-tech industry.

Can One Business Unit Have Two Revenue Models?
Marco Bertini; Nader Tavassoli; Bodo Eickhoff; Eric Achtmann
Harvard Business Review Case #R1503K (6 pages)
Case Commentary Available

Based on an actual business case study: Peter Noll, a pharmaceutical company division chief, ponders the varying business models of 2 units that have just merged. Both have for years employed flexible, inventive strategies to good effect, but Noll is inclined to impose a single model on the combined entity. The 2 unit heads, however, make compelling arguments for being left to do their business as usual. What choice should Noll make? Expert commentary comes from Bodo Eickhoff of Roche Diagnostics Deutschland and Eric Achtmann, a tech investor and corporate advisor to Costa Coffee.

Coffee Wars in India: Starbucks 2012
David B. Yoffie; Rachna Tahilyani
Harvard Business School Case #715452 (10 pages)

Starbucks entered India in late 2012. This case explores Starbucks’ globalization strategy, its success in China, and its vision for India. The case asks whether Starbucks can replicate its success in China in the Indian market.

Red Ocean Traps
W. Chan Kim; Renee Mauborgne
Harvard Business Review Article #R1503D (7 pages)

As established markets become less profitable, companies need to find ways to create and capture new markets. Most struggle to do this. The authors of the best-selling book Blue Ocean Strategy explore how attempts to discover new spaces with ample potential (blue oceans) are undermined, keeping companies anchored in existing spaces where competition is bloody (red oceans).

Social Business at Novartis: Arogya Parivar
Michael E. Porter; Mark R. Kramer; David Lane
Harvard Business School Case #715411 (19 pages)

Late in 2013, Novartis CEO Joseph Jimenez was considering how and whether to deepen the company’s investment in Arogya Parivar, its profitable program that sold Novartis medicines in rural India, while expanding access to medicine and health information to millions of Indian villagers.

Syngenta: Committing to Africa
Forest Reinhardt; Mary Shelman
Harvard Business School Case #715010 (28 pages)

In 2012, Syngenta, one of the world’s largest agricultural input companies, committed to build a $1 billion business in Africa over the next 10 years. In mid-2014, CEO Michael Mack and Africa Venture Team head Dimitri Pauwels are reviewing progress. Was the company’s commitment to Africa still relevant and achievable?
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