HARVARD BUSINESS PUBLISHING has added to its growing line of eLearning materials with the new Management Communication Online Course. Intended as a prematriculation requirement for MBA students or as coursework throughout a semester, it provides students with the guided practice necessary to master important concepts in business communication.

The course covers the key topics of planning, writing, and presenting by immersing students in the story line of two managers: a customer service executive at a software company and a director at an electronics company. They face communication challenges including persuading an audience to accept change, selecting the most effective channel for sharing information, and approaching difficult subject matter with a superior.

The topics are presented through more than 30 expert videos and 50 interactive exercises along with plentiful writing and audio examples. Special emphasis is placed on creating well-planned and confidently delivered emails, presentations, blog and wiki entries, and other forms of business communication. Students ultimately learn how to lead more effectively by executing successful business communication strategies.

Multimedia cases are now available online and can be added to coursepacks on the HBP for Educators website. Inexpensive and easy to use, online multimedia cases bring materials to life with animated charts, audio, and video. Most cases are supported by a Teaching Note, and many cases also have instructor resources online. Videos now come with captions, and full transcripts are available on request.

Multimedia cases include:

**BUSINESS ETHICS**

**NEW! Fighting Corruption at Siemens**
In 2006, German prosecutors raided the offices and homes of Siemens AG employees accused of bribery. Through interviews and internal materials, this case explores how one of the world’s largest companies faced corruption head-on. [TN #112702](#)

**GENERAL MANAGEMENT**

**BESTSELLER! Columbia’s Final Mission**
In 2003, the shuttle Columbia disintegrated upon reentry into Earth’s atmosphere. This case follows six real managers from the Columbia project and examines the organizational causes of the tragedy. [TN #305032](#)
“Effective communication skills are extremely important for managers, because many spend up to three-quarters of their day engaged in various forms of written and oral communication,” said Heide Abelli, vice president of special product initiatives at Harvard Business Publishing. “This course provides students with the essential techniques of effective communication that they need in order to succeed in the workplace.”

Management Communication is available as a complete course or in sections. Checklists, templates, and other resources help guide students through the application of course concepts. Each topic area concludes with an exam to reinforce learning objectives and assess student progress.

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> Complete Course 18-22 hours • #4337
> Writing Section 12-14 hours • #4341
> Presenting Section 12-14 hours • #4343
* Seat times vary depending on student experience.

MULTIMEDIA CASES

MARKETING
Launching the New MINI
Students reverse-engineer brand communication and creative materials developed by executives and their ad agency to support the MINI launch in the U.S. #505020

“My students just loved this case and utterly enjoyed the embedded multimedia materials.”
–Review on the HBP for Educators web site

Mountain Dew: Selecting New Creative
Students consider selecting creative in brand communications, extending an advertising campaign, and managing the company/agency relationship. #503038 Instructor version available online.

NEW! Terror at the Taj Bombay: Customer-Centric Leadership
In 2008, staff at the Taj receive praise for placing guest safety ahead of their own during a series of terrorist attacks. This case addresses how leaders develop a customer-centric organization and how an organization saves its flagship brand after a crisis. #511703

OPERATIONS MANAGEMENT
Threadless: The Business of Community
Threadless sells T-shirts through an online community where customers create and vote for shirt designs, until a major distribution deal brings change. #608707 Instructor version available.

ORGANIZATIONAL BEHAVIOR
Leadership, Culture, and Transition at lululemon
lululemon faces organizational challenges following a period of rapid growth. Cross-functional barriers are eroding the sense of teamwork that has been a key part of the culture. #410705 Instructor version available online.

STRATEGY
ZARA: Fast Fashion
Instead of predicting months ahead what women will want to wear, Spanish retailer Inditex’s ZARA chain adjusts what it produces and merchandises based on what’s selling now. #703416

See a full list of multimedia cases: hbsp.harvard.edu

*Reviews available to registered Premium Educators
New! Brief Cases in Audio

AUDIO VERSIONS of many Brief Cases are now available in coursepacks. Now, when students purchase a Brief Case, they also have the option to purchase the companion audio file. Students can download the MP3 file to a digital audio device and listen to the story line. They can review data tables and exhibits in the Brief Case PDF. Brief Cases with audio versions include:

ACCOUNTING
Biovail Corporation: Revenue Recognition and FOB Sales Accounting
A major Canadian pharmaceutical company misses its quarterly earnings target and blames the shortfall on a truck accident that occurred on the last day of the quarter. Students explore revenue recognition and the enforcement role of the SEC. 5 pages plus exhibits. • #4011

FINANCE
Mercury Athletic: Valuing the Opportunity
The head of business development at a footwear company considers an acquisition. Students perform a DCF valuation using weighted average cost of capital (WACC) and estimate the firm’s value. 7 pages plus exhibits. Student and instructor spreadsheets available. • #4050

GENERAL MANAGEMENT
Applied Research Technologies, Inc.: Global Innovation’s Challenges
A unit manager at a diversified technology company must decide whether to request $2 million in project funding from the division VP. Meanwhile, the VP must decide whether to shut down the unit. 8 pages plus exhibits. • #4168

MARKETING
Atlantic Computer: A Bundle of Pricing Options
A leading player in the high-end server market develops a software tool that allows its new server to perform four times faster. How should the firm price the new product bundle? 7 pages plus exhibits. • #2078

The Fashion Channel: Market Segmentation
The new senior vice president of marketing for The Fashion Channel is preparing to recommend a new market segmentation program. 7 pages plus exhibits. Student spreadsheet available. • #2075

“Good framework and analysis of positioning and channel options.”
—Review on the HBP for Educators web site

See a full list of Brief Cases including audio versions:
hbsp.harvard.edu

Mountain Man Brewing Company: Bringing the Brand to Light
A brewing company brews just one beer, popular among blue-collar workers. Faced with declining sales, the CEO considers launching a light beer to attract younger drinkers. 7 pages plus exhibits. Student spreadsheet available. • #2069

OPERATIONS MANAGEMENT
FoldRite Furniture Company: Planning to Meet a Surge in Demand
A furniture company improves manufacturing quality and efficiency by developing stylish, environmentally friendly products. A new plan is needed to meet demand, control costs, and mitigate risk. 8 pages plus exhibits. Student and instructor spreadsheets available. • #4555

ORGANIZATIONAL BEHAVIOR
Engstrom Auto Mirror Plant: Motivating in Good Times and Bad
Following a large-scale layoff, a supplier of automotive mirrors combats low morale and productivity by adopting an incentive plan. Several years later, the plan stops producing payouts and the plant manager must consider revising it. 6 pages plus exhibits. • #2175

TerraCog Global Positioning Systems: Conflict and Communication on Project Aerial
A high-tech firm that develops consumer GPS products is surprised by a competitor’s innovative product. The firm pursues development of a competing product, but cost projections threaten to scuttle the project. 6 pages plus exhibits. • #2184
ACCOUNTING

Better Buy, Inc.
Brantt R. Allen, E. Richard Brownlee II
University of Virginia Darden School Case #UV5247 (3 pages) TN

This case pertains to one of the most important topics in financial accounting and reporting: revenue recognition. It is intended for use in a required MBA financial accounting course or in an MBA elective course in financial reporting and analysis. The company, Better Buy, Inc., is an electronics retailer selling TVs and other electronic products. The company is unusual, however, in that it sells not only major brand TVs, but also TVs under its own brand that carry a one-year warranty for which the retailer—not the manufacturer—is responsible. The company also offers an additional two-year warranty on its TVs that also is the sole responsibility of the retailer. The case asks students to address a number of revenue recognition situations along with the associated expenses. These situations include a product sale where the sales price also includes a warranty provision, a “bundle” of a product sale and an extended warranty sale, and a bundle of a product sale and an extended warranty sale where the company has an agreement to outsource the servicing of its extended warranty service.

Coolidge Corner Theatre Foundation
David W. Young
The Crimson Group Case #TCG245 (3 pages) TN

This case gives students an opportunity to determine the appropriate size of a nonprofit organization’s surplus. The case also lends itself to the use of a spreadsheet if the instructor wishes the students to have practice in preparing one.

Harris Corporation: Financial Benchmarking
Mark E. Haskins
University of Virginia Darden School Case #UVI030 (12 pages) TN

This field-based case describes the approach and decisions used by Harris Corporation’s vice president of supply chain management and operations to establish a set of financial benchmarks. It requires students to use those benchmarks to decide what areas need focus to potentially raise the company’s financial results and elevate its financial performance through specific actions within its supply chain group.

Incentive Contracts for Financial Consultants at Private Client Services Division
Suneel C. Udpa
North American Case Research Association Case #NA0172 (21 pages) TN

Paul Lui, executive president at Private Client Services Division (PCSD), had the difficult task of designing a new incentive compensation system for financial consultants at the wealth management division of a mid-tier financial services firm that had limited resources compared with its larger rivals. Lui had many objectives in mind in designing the new incentive compensation system: to motivate financial consultants to stay, perform, and excel; to attract new consultants to fill vacated positions; and to generate new business in the face of labor shortages and significant competition from larger firms. How did the current compensation plan at PCSD compare with those of rival firms? How could he change the compensation plan for PCSD given the resource constraints he faced as a mid-tier financial services firm? Beyond changing compensation plans, what could Lui do to recruit new, experienced consultants; stop top producers from leaving; and more generally improve the morale at PCSD?

Netflix: Valuing a New Business Model
Francois Brochet, Suraj Srinivasan, Michael Norris
Harvard Business School Case #113018 (17 pages)

In autumn 2011, Netflix was working to right the ship after publicly stumbling through a price hike and a strategic shift and then a retreat. The company was changing its business model to focus on streaming video service rather than on the DVDs by mail that had brought the company success and praise. One important wrinkle in this business model shift came in the accounting for streaming content. The case describes the rule, FAS 63, that Netflix used to account for streaming content and the implications for the future of the company that could be attributed to this accounting shift.

Revenue and Expense Recognition at Salesforce.com
Graeme Rankine
Thunderbird School of Global Management Case #TB0305 (14 pages) TN

Andrew Ferris, a financial analyst at Southern Cross Capital LLC, was asked to evaluate salesforce.com’s accounting methods and recent financial performance in preparation for the portfolio manager’s decision as to whether the company’s common stock should be acquired for its Growth Service fund. Salesforce.com was a computer software company focused on providing customer relationship management (CRM) applications accessible by users in the “cloud” rather than through software resident on a user’s own server. Salesforce.com maintained a direct sales force, which sold services to customers through phone contacts and through a network of geographically dispersed
sales representatives who made personal contacts with potential customers. The direct sales force was compensated primarily through sales commissions that were paid in cash after a customer signed a noncancelable subscription contract. The portfolio manager specifically asked Ferris to pay close attention to understanding how salesforce.com accounted for its commission outlays, since several companies in recent years had experienced substantial declines in their stock price after financial press articles revealed that the companies had inflated their earnings by deferring expenses.

**BUSINESS & GOVERNMENT RELATIONS**

**Dirigo International**

Christopher Gordon, Chad M. Carr
Harvard Business School Case #212056 (23 pages)

Dirigo International is proposing a major expansion of its life sciences research and manufacturing facilities in the heart of a major city and a middle-to-lower-income residential neighborhood. The company and city government are seeking a development solution in the form of unique land use regulations and a resulting development strategy that weighs the financial, economic, aesthetic, and environmental impacts of the development. Companies and governments around the world often find themselves on opposite sides of land use proposals. This case demonstrates the dilemmas and trade-offs related to private landowner rights and the role of government in seeking positive outcomes for broader society. Students will rigorously look at issues of development density, funding responsibilities, financial capacity, land use regulation, and development politics.

**Elia Nuqul and the Making of a Middle Eastern Business Group (A)**

Geoffrey G. Jones, Lana Ghanem
Harvard Business School Case #813052 (30 pages)
B Case available

The case is concerned with Elia Nuqul, the founder of Jordanian-based Nuqul Brothers, a large, diversified business group. It shows how Nuqul, a Christian Palestinian whose family was forced to flee to Jordan after the creation of Israel in 1948, built a business in his new home, first in trading and later in manufacturing consumer products such as hygienic paper. The case shows the challenges of building such an entrepreneurial business in a developing region with high political instability. The case is positioned within the wider context of the regional conflict in Palestine and Israel, and it provides a vehicle for exploring the role and responsibility of entrepreneurs, if any, in such conflicts.

**GlaxoSmithKline in Brazil: Public-Private Vaccine Partnerships**

Arthur A. Daemmrich, Ian McKown Cornell
Harvard Business School Case #712049 (15 pages)

Three years into a major public-private partnership (PPP) between GlaxoSmithKline and Fiocruz, Brazil’s principal health institute, the company assesses technology transfer and joint research under the agreement. GSK was selling its Synflorix vaccine (against pediatric pneumonia) at fixed prices even as it transferred technology and know-how to Brazil for eventual domestic production. At the same time, GSK was cosponsoring research into a new vaccine for Dengue fever with the Brazilian government. GSK’s management must consider whether the PPP provides strategic advantage to its consumer health care businesses in Brazil and access to other emerging markets as well as consider the risks posed by the aggressive product obsolescence built into the technology transfer agreement.

**India 2012: The Challenges of Governance**

Lakshmi Iyer, Richard H. K. Vietor
Harvard Business School Case #712038 (25 pages)

In January 2012, the government of India faced significant challenges to achieving three key objectives of high growth, inclusive development, and improved governance. The economy was experiencing a growth slowdown, persistently high inflation, and infrastructure and energy deficits. Policy reforms were hampered by several recent corruption scandals, widespread citizen protests against corruption, and disagreements with coalition partners. Could India make the right decisions needed to lift hundreds of millions of citizens out of poverty?

**Inkaterra**

Diego Comin, Rohan Gopaldas, Diego Rehder
Harvard Business School Case #713022 (23 pages)

The case presents the unique business model of Inkaterra, a leading eco-tourism organization in Peru, and the different strategies the company can pursue in order to grow. Through the experience of Inkaterra the case studies two general issues. First, it discusses the potential barriers that exist for the development of the tourism sector. Second, it presents the debate of whether governments may want to use tourism as an engine of growth, and if so, what is the best strategy to preserve the environment?

**Telecommunications Regulation and Coordinated Competition in Romania**

Arthur A. Daemmrich, Alex Radu, Ana Sarbu
Harvard Business School Case #713016 (16 pages)

Leaders of the Romanian telecommunications agency must decide about a proposed international merger and how to structure bandwidth auctions critical to the telecom market. The case is designed to teach about regulatory choices from the perspective of a regulatory agency, but it also describes the competitive standing of domestic and international telecom providers in Romania and the challenges of operating as a “foreign” multinational, even in the European Union, where protection of national champions is supposedly obsolete. Policy trade-offs are developed among approving, delaying, or denying the proposed merger of domestic Romtelecom with Greek-based Cosmote. Likewise, trade-offs are described for bandwidth auctions, notably among public transparency, maximizing revenue, preventing collusion, promoting efficient use of spectrum, broadening coverage, and fostering innovation in products and services.

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Cipla 2011
Rohit Deshpande, Sandra J. Sucher, Laura Winig
Harvard Business School Case #511050 (26 pages)

Dr. Yusuf Hamied, head of the Indian pharmaceutical and generics manufacturing company Cipla, is weighing options for how to continue to support the global fight against HIV/AIDS while positioning his company for growth in a changing regulatory landscape.

El Paso’s Sale to Kinder Morgan
John Coates, Clayton Rose, David Lane
Harvard Business School Case #313021 (5 pages)

On October 16, 2011, El Paso agreed to sell itself to Kinder Morgan for just over $21 billion. Shareholders filed suit, arguing that the process was tainted by conflict and that a higher price could be obtained. Delaware Chancellor Leo Strine agreed with the plaintiffs on the conflicts, and in his opinion expressed serious concerns with how El Paso advisor Goldman Sachs and El Paso CEO Douglas Foshee conducted themselves in the process. The case examines these conflicts, Strine’s view of their effects on the outcome, and the reason he was unable to grant the plaintiffs’ request but instead allowed the merger vote to proceed. The case is a companion case to “Barclays Capital and the Sale of Del Monte Foods,” #313036.

Great Lakes: Great Decisions
James R. Freeland, Patricia H. Werhane, Andrew C. Wicks, Jenny Mead
University of Virginia Darden School Case #UV5290 (16 pages)

John Hume, a veteran game farmer and founder of the Mauricadale Game Ranch in South Africa, was deeply troubled by the record upsurge in black rhino poaching incidents and black-market horn thefts in 2010 and 2011. While the endangered black rhino represented only one segment of Mauricadale’s hunting and farming businesses in 2011, the animal’s survival was an important component of the ranch’s and industry’s growth potential in the future. As both a businessman and a rhino advocate, John Hume was contemplating an innovative idea that might help stop the decline of the black rhino: the creation of a market for legalized black rhino hunting. As he pondered the possibilities and alternatives to determine what his next move should be, Hume had several questions on his mind. Was the legalization of the international sale and trade of rhino horns a viable solution? Was it Hume’s responsibility to save the black rhino, and was the animal a good investment?

The Black Rhino
R. Edward Freeman, Jared Harris, Jenny Mead, Sierra Cook, Trisha Bailey
University of Virginia Darden School Case #UV5290 (16 pages)

One of the few remaining producers of lead additives must decide whether to continue producing them for use abroad. Banned in the United States, lead additives are still legal in developing nations. Ellie Shannon, the division manager overseeing bromine production for the Indiana-based Great Lakes Chemical Corporation (Great Lakes), must advise Great Lakes’ directors on whether the company should (1) continue production for the foreseeable future while developing countries move from leaded vehicles to unleaded vehicles, (2) wash its hands entirely and immediately of the lead additive business, or (3) aggressively phase out its participation in this marketplace with a five-year deadline while lobbying for developing nations to switch to unleaded gasoline. Each of the options has its downside, however, financially, operationally, and in terms of reputation. Great Lakes places a great deal of importance on its shareholders’ well-being and in remaining a viable company, but it also wants to be—and to be seen as—a respectable corporate citizen.

The Midnight Journal Entry
Anne T. Lawrence
North American Case Research Association Case #NA0180 (10 pages)

How should a chief financial officer respond when he uncovers a serious accounting fraud? Richard Okumoto, the newly appointed CFO of Electro Scientific Industries, Inc., learned that around midnight several months earlier, a group of managers led by a man who later became CEO had reversed an accrued liability associated with the anticipated cost of employee retirement benefits. This “midnight journal entry” had allowed the company to report a gain rather than a loss for the quarter. Okumoto believed that the reversal was improper and the company’s earnings should be restated. When he approached the CEO, the general counsel, and the audit committee with his concerns, however, he was told to “just get past it.” Okumoto had to decide how best to act on his conviction that the company had committed an unethical and illegal act while minimizing the risk to himself and his future career prospects.

ECONOMICS

Regulating Broadband in Chile: The Debate over Open Access
Jorge Tarzijan Martabat, Jose Gomez-Ibanez
Harvard Kennedy School Case #HKS670 (18 pages)

In 2011, Chile’s undersecretary of telecommunications, Jorge Atton, was considering adopting a policy toward regulating competition in Internet services different from that previously applied to voice telephony. Atton headed Chile’s telecommunications regulatory agency, SUBTEL. For the past two decades SUBTEL...
had encouraged the emergence of competition in telephone services, in part by forcing the incumbent telephone company to give new entrants to the industry access to its customers. SUBTEL had circulated for public comment and consultation a document that raised the possibility of imposing “open access” requirements on the providers of broadband Internet services. This case discusses the debate over open access in Chile.

**ENTREPRENEURSHIP**

**Bonne Chance**

James M. Sharpe, John O. Whitney

Harvard Business School Case

#813049 (11 pages)

Jacob Zimmermann has seen his revenues and profits declining for the past three years after MegaRols entered his local market, and he has reduced sales of his Rolex watch offerings in his Midwestern retail store. Bonne Chance has been selected by Swatch to offer its line, which may be an opportunity to revive sales during the upcoming holiday season and into 2011. The bank loan officer has covered a recent overdraft, but she won’t extend more credit. Already behind on some older invoices and with cash very tight, Zimmermann has thirty days to come up with the first payment and with cash very tight, Zimmermann has thirty days to come up with the first payment for stocking the Swatch inventory. He has a number of options to boost sales and liquidate inventory to cover his upcoming purchases of non-Rolex inventory items. Each has an impact on his cash flow and has to be carefully assessed against the reaction from his long-time customers Rolex and MegaRols.

**Juner New Materials: On the Road to IPO**

F. Warren McFarlan, Donglin Xia, Ning Jia, Ziqian Zhao

Tsinghua University Case

#TU0003 (27 pages)

Juner New Materials is a private, China-based company that develops, produces, and distributes modified plastic compounds. Founded in 1995 by female serial entrepreneur Xiaomin Chen, Juner has exhibited strong performance and growth potential in the past 15 years. The company currently has a workforce of more than 300 employees and is an icon of high-technology ventures in Zhejiang province. As Juner strives to become the leader in China’s modified plastics industry, the company presently faces scalability challenges primarily limited by financing constraints. Recently, with two major competitors having raised additional capital through their respective public offerings, Juner has reacted to these market changes. Since competition was aggressively dedicating new resources to production and service capacity expansion, by June 2010 it was apparent that external funding was imperative for extending and sustaining Juner’s competitive edge. After several discussions, Chen and the board of Juner concluded that it was an opportune time to take Juner public. The decision to go public has led to the discussion of several issues: (1) the choice of stock exchange, (2) the “justified” valuation based upon Juner’s fundamentals and respective comparables, and (3) the methods Juner would adopt to maintain its growth rate and exceed investor expectations before and after the IPO.

**Lyric Dinner Theater (A)**

Richard G. Hamermesh, James M. Sharpe

Harvard Business School Case

#813043 (16 pages)

B Case available

Rivka Belzer, after receiving her MBA and turning down other options, agreed to a low salary and a substantial bonus to join the dinner theater partially owned by her parents that had five years of losses. She immediately found low morale, nonexistent controls, very little customer information, vendors clamoring to be paid for overdue bills, and board meetings that ended in screaming matches. Although not seeing any one solution to the problems, she took steps to settle with vendors, review and question individual invoices, survey customers, launch promotions, and in-source food preparation. While the recent revenues from Annie were strong, she was faced with the expense of hiring an experienced general manager, dealing with personnel issues, addressing ticket pricing and bar sales, making scheduling changes, installing a new accounting system, determining how much to pay the actors, and selecting the shows for the following year. Had she made the right decision to take this job?

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**ENTREPRENEURSHIP**

**Conscious Capitalism**

Liberating the Heroic Spirit of Business

By John Mackey, CEO of Whole Foods, and Rajendra Sisodia, Bentley University

“John Mackey’s journey to awakening is an inspiration not just to entrepreneurs, but to anyone who believes in a new definition of success for capitalism—one that includes positive societal impact as well as traditional business metrics.”

—Biz Stone, Cofounder and Creative Director, Twitter

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**Oregon Public Employees Retirement Fund: Push and Pull over GP/LP Compensation**
Susan Chaplinsky, Elena Loutskina, Rob Walsh
University of Virginia Darden School Case #UV5622 (20 pages) TN
Spreadsheet supplement available

The case is designed to explore the structure and rationale behind the standard compensation arrangements in the private equity (PE) industry. It effectively introduces students to commonly used terms of limited partnership agreements (LPAs) such as fees, carried interest, and preferred terms or hurdle rates. The backdrop for the Oregon Public Employees Retirement Fund (OPERF) case is the changed market conditions following the 2007 financial crisis that spurred a reevaluation of the basic terms of LPAs across the PE industry. This case has been taught in a second-year elective course on entrepreneurial finance and private equity and would be suitable for similarly focused courses on venture capital, private equity, or entrepreneurship. The case can also be used in an investment class designed to explore private equity as an asset class.

**Paul Thomson: Walker Insurance**
Michael J. Roberts, James M. Sharpe, Sonia Nagala Chang
Harvard Business School Case #813057 (16 pages) TN

After a year of searching, Paul Thomson has attained his goal of owning his own business. Walker, the prior owner, has facilitated transition but remains involved in the company, and employees are looking to Thomson for leadership. He takes immediate steps to build morale, replace poor performers in the “producer” sales force, and cut wages and expenses. During a post-closing audit, Thomson discovers a $600,000 problem that wipes out his contingency funds. He is concerned about having to go back to his investors to fund a buildup of reserves this early in his tenure. If he plans to live off cash flow, his growth goals will be delayed and he may lose some recently hired revenue producers. He has also been approached about selling the company for $4 million, which could yield a good return for investors and for him personally.

**FINANCE**

**An Old Bank in a New Country: Restructuring Nile Commercial Bank of South Sudan**
Veit Etzold
European School of Management and Technology Case #ESI311 (15 pages) TN
PowerPoint supplement available

The case study documents the efforts of the African Development Corporation (ADC) and the Loita Group to acquire shares in Nile Commercial Bank (NCB)—the number one banking icon in South Sudan—and thus participate in the development of South Sudan as an independent, commodity-rich state. The case focuses on ADC’s CEO, Dirk Harbecke, who in 2011 ran a fund that invests in banking and insurance services in sub-Saharan Africa. The case discusses whether or not ADC and Loita should invest in NCB. The real-world result of the case is ADC and Loita’s eventual investment in the bank in September 2011.

**Catalyst Health Solutions: A Script for Success?**
Robert Harris, Rick Green
University of Virginia Darden School Case #UV5670 (16 pages) TN
Spreadsheet supplement available

In February 2011, David Blair, CEO of Catalyst Health Solutions, was considering another acquisition. Catalyst was already the fastest-growing pharmacy benefit management company in the United States, and Blair had his eye on a subsidiary of Walgreen Co., the second-largest retail drugstore chain in the country. Walgreen was focusing its corporate strategy on the retail business and had just purchased 258 Duane Reade pharmacies in New York for over $1 billion. Walgreen’s subsidiary, WH1, managed pharmacy benefits and was a relatively small part of the overall company, contributing less than 2% of its bottom line. Might Walgreen be interested in selling WH1?

**China Life: Microinsurance for the Poor**
Shawn Cole, Lilei Xu
Harvard Business School Case #212030 (16 pages) TN

China Life must decide whether to accept the government’s “invitation” to develop a microinsurance product for the rural poor. Can it be done profitably?

**CornerStone Partners**
Evans Richard, Prakash Menon
University of Virginia Darden School Case #UV6511 (12 pages) TN

Lumina, a foundation focused on increasing both access to and success in higher education for U.S. students, is dealing with the recent resignation of its chief investment officer. The CFO, J. David Maas, reviews the structure the firm has in place to manage its $1.1 billion endowment. Although the CFO and other finance and administration professionals at Lumina are temporarily overseeing the endowment, Maas recognizes that many other foundations outsource this responsibility to investment advisory firms. As part of his review, he invites a number of firms—including CornerStone Partners from Charlottesville, Virginia—to make presentations to the Lumina management team. While each firm claims the ability to outperform its benchmark, Maas wonders exactly how the outsourcing would add value and how this outperformance could be quantified.

**Creating the First Public Law Firm: The IPO of Slater & Gordon Limited**
Benjamin C. Esty, E. Scott Mayfield
Harvard Business School Case #213019 (15 pages) TN
Spreadsheet supplement available

Slater & Gordon (S&G), a mid-sized Australian law firm with a high-growth consolidation strategy, had an initial public offering (IPO) scheduled for May 2007. Due to a series of regulatory changes in Australia in recent years, the IPO provided an opportunity for S&G to become the first publicly traded law firm in the world. The firm and its underwriters had just issued a prospectus and were now in the process of lining up investors for the offering. Gloria Rosen, a portfolio manager at Freemandele Securities, was trying to decide whether to buy the stock for her small-cap growth fund. With only a few days left to place an order for the offering, she had to decide whether to invest and, if so, how much to invest. To make her investment decision, Rosen had to understand the value implications of the firm’s business model and its growth strategy as well as the relevant risks.
Lind Equipment
Richard S. Ruback, Royce Yudkoff
Harvard Business School Case
#212012 (8 pages)

Lind Equipment failed to meet its loan covenants with its senior bank lender in the summer of 2008, just six months after it was acquired. While the senior bank debt comprised only 6% of the capital used in the acquisition and was fully secured, the bank exercised its right to stop payments to Lind’s subordinated lender that funded about 45% of the acquisition, pushing that debt into default as well. These financial problems were the result of declining revenues and profits at Lind as exchange rates and the impact of the Great Recession took its toll on the firm. Without a quick solution, Lind could be pushed into bankruptcy.

L’Occitane en Provence
Bo Becker, Daniela Beyersdorfer, Scott Mayfield, Mayuka Yamazaki
Harvard Business School Case
#212051 (20 pages)

Cosmetics company L’Occitane en Provence must decide whether it is the right time to go public and, if so, where to list. The firm could list on Euronext in Paris, close to the firm’s headquarters in southern France; on one of the large exchanges in the U.S.; or perhaps in Asia, where much of the firm’s future growth is expected. The case provides opportunities to discuss the benefits and costs of going public, including valuation implications, and illustrates the choices faced by a prospective public firm that operates in a global setting.

Medfield Pharmaceuticals
Marc Lipson, Jenny Mead, Jared Harris
University of Virginia Darden School Case
#UV5632 (13 pages)

Pharmaceuticals, is faced with conflicting pressure to increase profits and what could he change now to fix his com-

Owen’s Precision Machining
Ramana Nanda, James McQuade
Harvard Business School Case
#813036 (8 pages)

For the second time in fourteen months, Christopher Owen, the second-generation owner of Owen’s Precision Machining (OPM), found himself running out of cash. Owen wondered what he was doing wrong. How much additional money would he need to raise to get OPM through the next twelve months, and what could he change now to fix his com-

H-Soft Mumbai
Ramana Nanda
Harvard Business School Case
#812168 (7 pages)

Siddharth Kapoor, the founder and CEO of H-Soft Mumbai, reflected on his meeting as he walked out of VC Ventures’ offices in Mumbai. After a few months of intensely pitching his start-up to several different investors, he finally had a term sheet in hand. Despite this huge milestone, Kapoor knew it was only the start of a long process of raising money. He had only three days to get back to VC Ventures’ Managing Director, Vikram Sharma and indicate whether he would like to initiate the diligence process. While he was familiar with some of the terms venture capital investors put into their contracts, many others were completely alien to him. Which terms were important? Which ones should he focus on negotiating? He also knew that money was only part of what the venture capital firm brought to the table. Was VC Ventures the right partner for his business? Kapoor knew he had a busy few days ahead of him as he thought through all the questions before getting back to Sharma.

JP Morgan and the Dodd-Frank Act
Yiorgos Allayannis, Adam Risell
University of Virginia Darden School Case
#UV5660 (13 pages)

In October, the CEO of JP Morgan Chase & Co. is preparing for the company’s 2010 Q3 earnings conference call and wondering how to address the inevitable questions related to financial reform. It has been just over two months since the Dodd-Frank Financial Reform and Consumer Protection Act (Dodd-Frank Act) was passed, and there is still much uncertainty as to how JP Morgan should address the reforms. JP Morgan had reported stronger-than-expected EPS in the third quarter, but analysts were more concerned about what strategic initiatives the CEO would implement in response to the Dodd-Frank Act. The act had introduced wide-ranging and industry-changing reforms that were aimed primarily at fully integrated financial institutions such as JP Morgan. While most of the rule making would be forthcoming from regulatory authorities, the CEO knows it would be best to address these issues immediately to protect shareholders by avoiding uncertainty.

National Public Broadcasting
Richard S. Ruback, Royce Yudkoff
Harvard Business School Case
#211058 (6 pages)

Bob Williams, the CEO of National Public Broadcasting (NPB), was considering an unsolicited offer to purchase the company in the early spring of 2006. The company was a media underwriting representative for public television and radio stations throughout the United States. When Williams and his wife, Linda Williams, started NPB in 1996, they had imagined that it would grow quickly and be acquired by a larger media representation firm in a few years. But the business proved to be more complex than they had anticipated, with slower growth and less interest from strategic acquirers, and as a result Williams had been running NPB ever since. The unsolicited offer gave the Williamses and their partners the potential opportunity to realize a significant cash payment for the business. The case explores the impact on the sale of the ownership structure decisions that were made when NPB was formed and the complexity of the sales process for small businesses.

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pany for the long term? Owen's thoughts also turned to the conversation he had last month with two Harvard Business School alumni who were searching for a manufacturing business to acquire after spending the early part of their career in manufacturing at GE’s Aircraft Engine division in Lynn, Massachusetts. Their offer of $1.1 million, or 6.9 times the 2011 EBITDA of $159,292, was a pleasant surprise, but Owen was not interested in getting out of his family’s business. Given the current cash flow situation, should Owen reconsider the acquisition offer?

Prada: To IPO or Not to IPO: That Is the Question
Stephen Sapp
Ivey Publishing Case
#W12153 (19 pages) TN

Prada currently requires a significant amount of capital both to refinance debt that is maturing in the next six to twelve months and to finance its intended growth into the Asian (especially Chinese) markets. Since financial markets are aware of Prada’s pressing need to raise capital, it is important for the board of directors to develop a credible strategy for raising the necessary capital of at least $1 billion. Although the press has been suggesting that Prada will do an initial public offering, the company has tried this several times in the past with no success, mainly because of bad timing (9/11, the SARS outbreak, and the ongoing global financial crisis and European sovereign debt crisis). The board has approached Guido Santini of the investment bank Grupo Capo Milano to come up with a number of credible alternatives and a strategy for raising the needed capital.

Preem (A)
Bo Becker, Annelena Lobb, Aldo Sesia
Harvard Business School Case
#213008 (19 pages) TN

B Case available

High-yield bond fund Proventus Capital Partners (PCP) has invested in underwater bonds issued by Preem, a large oil refinery. As maturity approaches in the midst of financial crisis, Preem appears unlikely to be able to refinance. Meanwhile, Preem has a complicated multicurrency capital structure with senior bonds, secured bank loans, and junior bonds. PCP has to decide whether to push for bankruptcy in a European court or for out-of-court renegotiations. The case is a tool for studying the difference between liquidity problems and solvency problems, weighing bankruptcy versus out-of-court restructuring, and dealing with negotiations between creditors.

Selling Short: Green Mountain Coffee Roasters
Martin Dirks
Ivey Publishing
Foundation Case
#W12073 (18 pages) TN

Green Mountain Coffee Roasters is considered as a short-sale candidate. (A stock sold short makes money if the stock price declines.) This business is growing at a high rate, but there are signs of potential problems. This is a very real illustration of bullish investors versus bearish investors. Like a mystery novel, there are spies, possible misrepresentation, and conflicting information. Decision making under uncertainty is explored, a factor professional investors must deal with every day. Case discussion topics include risks in short selling, margin loan calculation, investor behavior, stock valuation analysis, forecasting business growth potential, forecasting earnings reports, management incentives, actions taken by management to increase stock price, aggressive accounting practices, assessing the business impact of a patent expiration, and the impact of business growth rate on stock market valuation.

GENERAL MANAGEMENT

At Ford, Turnaround Is Job One
James Shein, Matt Bell
Kellogg School of Management, Northwestern Case
#KEL663 (15 pages) TN

The case opens with the Ford Motor Company seemingly on the path toward bankruptcy. Ford had been bleeding red ink for more than ten years when it decided in 2006 that continuing the same turnaround attempts was not going to right the ship. The company was facing significant external challenges, such as intense competition and changing consumer preferences, as well as internal challenges, such as quality and design issues and a stifling level of corporate complexity. As the case begins, CEO Bill Ford has taken the unusual step of hiring an auto industry outsider as his replacement. Alan Mulally, a thirty-seven-year Boeing veteran and principal architect of the venerable airplane manufacturer’s own massive and successful turnaround, wasted little time in getting about the business of remaking Ford. He developed a plan to focus on the Ford brand and divest the numerous other brands the company had acquired over the years, simplify and streamline the company’s manufacturing operations, and remake the corporate culture from one of fiefdoms and false optimism to collaboration and facing reality. With an ardent belief in the plan’s viability, Mulally raised nearly $24 billion and began to put his plan into motion. The case explores the many causes of this once-great company’s decline and the steps it took to beat the odds and get back on the path to profitability.

Does Management Really Work?
Nicholas Bloom, Raffaella Sadun, John Van Reenen
Harvard Business Review Article
#R1211D (7 pages)

Harvard Business Review’s 90th anniversary is a sensible time to revisit a basic question: are organizations more likely to succeed if they adopt good management practices? The answer may seem obvious to most HBR readers, but these three economists cast their net much wider than that. In a decade-long study of thousands of organizations in twenty countries, they and their interview teams assessed how well manufacturers, schools, and hospitals adhere to three management basics: targets, incentives, and monitoring. They found that huge numbers of companies follow none of those fundamentals, that adopting the basics yields big improvements in outcomes such as productivity and longevity, and that good nuts-and-bolts management at individual firms shapes national performance. At fourteen textile manufacturers in India, for example, an intervention—involving free, high-quality advice from a consultant who was on-site half-time for five months—cut defects by half, reduced inventory by 20%, and raised output by 10%. A control group saw no such gains. The authors’ global data set suggests that implementing good management at schools and hospitals yields change more slowly than at manufacturers—but it does come eventually. And the macroeconomic potential—for incomes, productivity, and delivery of critically needed services—is huge. A call for “better management” may sound prosaic, but given the global payoffs, it’s actually quite radical.
Growing Pains at Stroz Friedberg (Abridged)
David A. Garvin, Michael Norris
Harvard Business School Case #313023 (11 pages)
In late spring 2009, Stroz Friedberg copresidents Edward Stroz and Eric Friedberg had to set new growth targets for 2010. The leading global consulting firm they had built specialized in managing digital risk and uncovering digital evidence and had grown very rapidly. With the firm’s CFO, they believed that the firm could grow from $58 million to $72 million, a growth rate of 27% over the preceding year. However, the firm’s eleven offices had submitted first-quarterFY 2010 plans that together added up to firmwide revenues of only $53 million, a growth rate of -10.2%. The preceding years of rapid growth had been successful but challenging, and a thorough review of the firm’s culture, systems, structure, and processes in late 2008 had resulted in a significant set of changes to which the organization was still adjusting. Stroz and Friedberg wondered whether to push for continued, aggressive growth.

JPMorgan Chase and the CIO Losses
Clayton Rose
Harvard Business School Case #313033 (13 pages)
On July 13, 2012, JPMorgan Chase & Co. announced a larger-than-expected loss for the quarter, $4.4 billion from positions held in the chief investment office (CIO), raising the total losses to $5.9 billion. Since the substantial risks in the CIO had first been revealed on April 5, the firm and its CEO, Jamie Dimon, had been the source of intense scrutiny by regulators, legislators, the media, shareholders, and analysts. The situation represented a rare but significant misstep by Dimon, who had successfully steered Morgan through the financial crisis and was regarded as one of the financial industry’s best leaders and risk managers. The firm also revealed that it was restating its first quarter 2012 results because of what it had learned as it investigated the CIO losses.

Pricing of Players in the Indian Premier League
Unnikrishnan Dinesh Kumar, Kshitiz Ranjan
Indian Institute of Management Bangalore Case #IMB379 (16 pages)TN
Spreadsheet supplement available
The Indian Premier League (IPL), a professional league for Twenty20 (T20) cricket championships, was started in 2008 in India. The IPL was initiated by the Board of Control for Cricket in India (BCCI) with eight franchises comprising players from around the world. Franchises acquired players through an English auction that was conducted every year; however, there were several rules imposed by the IPL. The prices of IPL players ranged from as low as $20,000 to more than $2 million for a tournament played over seven weeks. Three of the nine IPL teams appeared in the list of the fifty highest-paid sports teams in the world in a survey conducted by sportingintelligence.com in May 2012. The IPL teams had several restrictions on how much money they could spend on acquiring their players, and it was important that they spend their money wisely to put together a successful team after gauging the true value of a player. The performance of the players could be measured through several metrics. Although the IPL followed the T20 format of the game, it was possible that the performance of the players in the other formats of the game, such as test and one-day matches, could influence player pricing. Anecdotal evidence suggests that factors such as batting strike rate, bowling strike rate, economy rate, and ability to take wickets drive the price of players. The focus of this case is to understand the true value of a cricket player, which can be used during the player auctions.

The Fish Whisperer
Jim Kayalar
Ivey Publishing Case #W12234 (12 pages)
This case depicts the start-up and business development challenges faced by a streetwise entrepreneur who has invented a unique fishing rod. The capabilities necessary to invent, prototype, and bring to market a limited quantity of product versus the challenges of larger-scale product commercialization and management of a growing business are illustrated chronologically. The case primarily addresses why some entrepreneurial ventures succeed and grow to become large-scale corporations whereas others stay small and insignificant and why a majority of entrepreneurial initiatives eventually fail. Indigenous constructs (such as entrepreneur- and organization-specific factors) and exogenous constructs (such as industry, location, and time-specific factors that may predetermine the outcome of an entrepreneurial venture) are illustrated. A business plan, which has attracted angel investment, is presented for critical assessment. The background story line subtly depicts that all businesses, regardless of size, face resource constraints and trade-offs and that managers must continuously adapt and upgrade their business models, competencies, and management style to match the evolving threshold market standards.

HBR Guide to Better Business Writing
By Brian A. Garner
This book will help students; (1) push past writer’s block; (2) grab—and keep—readers’ attention; (3) earn credibility with tough audiences; (4) trim the fat from their writing; (5) strike the right tone; and (6) brush up on grammar, punctuation, and usage.

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Disability Issues in the Public Workplace
Mary Jo Bane, Sara Watson
Harvard Kennedy School Case #HKS512 (13 pages)
This composite case explores the managerial, ethical, and logistical issues that arise when a federal employee is diagnosed with breast cancer and has difficulty dealing with her job responsibilities and coworkers’ reactions. The case ends with the employee on the verge of exhausting her leave options; she and the manager must work out a solution. An appendix discusses the relevance of the Americans with Disabilities Act of 1990 and the Rehabilitation Act of 1973.

Taking Charge: Rose Washington and Spofford Juvenile Detention Center
Olivia Golden, Anna Warrock
Harvard Kennedy School Case #HKS522 (14 pages)
The latest in a long string of directors of New York City’s toughest juvenile detention facility confronts a staff that is both demoralized and resentful of authority. As the jail’s first black director, she must cope with a predominantly black staff long accustomed to “getting over”—giving less-than-full effort and rationalizing its attitude in terms of the perceived indifference of a “downtown” white power structure. Battles over child abuse, insubordination, and union power ensue.

Talent Recruitment at Frog Design Shanghai
Robert G. Eccles, Amy C. Edmondson, Yi Kwan Chu
Harvard Business School Case #411040 (23 pages)
This case illustrates the complexity and importance of hiring decisions in the Chinese operation of a global design and innovation firm.

Who Can Fix the “Middle Skills” Gap?
Thomas A. Kochan, David Finegold, Paul Osterman
Harvard Business Review Article #R1212F (10 pages)
Nearly half of new job openings from 2010 through 2020 will be middle-skill positions in fields such as computer technology, nursing, and high-skill manufacturing. They require postsecondary technical education and training, and they’re increasingly hard to fill. As federal funding for job training declines, Kochan, Finegold, and Osterman urge companies to take the lead in closing the middle-skills gap. Getting there, they argue, will require local business leaders to work with one another, educational institutions, and in some cases, unions. Available models include apprenticeship programs, such as those spearheaded by the Center for Energy Workforce Development; partnerships, such as those between Kaiser Permanente and its employee unions; sector-based regional initiatives, such as Boston-based SkillWorks; and collaborations with higher education consortia that embrace strong ties to industry. Effective collaborative training programs involve employers in designing and funding the initiatives and in finding jobs for graduates. They integrate classroom education with opportunities to apply new skills in actual or simulated work settings. And they start graduates down a clear career path. These best practices, with leadership from the private sector, should be the cornerstones of a national job training strategy.

INFORMATION TECHNOLOGY

A Telemedicine Opportunity or Distraction?
Janis L. Gogan, Monica J. Garfield
North American Case Research Association Case #NA0186 (20 pages)
Innovative IT applications such as patient-present telemedicine consultation services can save lives and reduce costs. Yet despite extensive pilot testing, few such services have achieved long-term viability. Partners HealthCare’s TeleStroke service, in full operation and managed by the Massachusetts General Hospital neurology department, is financially self-sustaining and serves a vital need. Clinicians at some participating hospitals are interested in using telemedicine for other medical applications outside stroke care. Should Partners expand its service? What organizational, clinical, and technical issues would arise if Partners expand its telemedicine offerings? How can these issues best be managed? The case is intended for an MBA or advanced undergraduate course in IT management. We use this case in the first module of a strategic IT management course. Module I, Use IT for Business Value, introduces students to the resource-based view of management and the mechanisms through which IT (hardware, software, network, and data resources) can add business value—such as by being embedded in a product or service (Netflix case), by generating valuable data that enables management to make better decisions or improve operations (Harrah’s Entertainment and Catching Tax Cheats cases), and by serving as a platform for collaboration (this Telemedicine case).

How Big Data Is Different
Thomas H. Davenport, Paul Barth, Randy Bean
MIT Sloan Management Review Article #SMR428 (4 pages)
Many people in the information technology world believe that “big data” will give companies new capabilities and value. But companies have been dealing with an exponentially increasing amount of data, and much of it is in forms that are impossible to manage by traditional analytics. Big data includes information such as call center voice data, social media content, and video entertainment as well as...
clickstream data from the web. The authors posit that organizations that are learning to take advantage of big data are beginning to understand their business environments at a more granular level, are creating new products and services, and are responding more quickly to change as it occurs. These companies stand apart from those with traditional data analysis environments in three critical ways. First, rather than looking at data to assess what happened in the past, these organizations consider data in terms of flows and processes and make decisions and take actions quickly. In addition, organizations already involved with big data are taking a lead on hiring—and training—data scientists and product and process developers as opposed to data analysts. And finally, advanced organizations are moving analytics from IT into their core business and operational functions. As big data evolves, a new information ecosystem is also evolving, a network that is continuously sharing information, optimizing decisions, communicating results, and generating new insights for businesses.

**Making Advanced Analytics Work for You**

Dominic Barton, David Court

*Harvard Business Review* Article #R1210E (7 pages)

Senior leaders who write off the move toward “big data” as a lot of big talk are making, well, a big mistake. So argue McKinsey’s Barton and Court, who worked with dozens of companies to figure out how to translate advanced analytics into nuts-and-bolts practices that affect daily operations on the front lines. The authors offer a useful guide for leaders and managers who want to take a deliberative approach to big data—but who also want to get started now. First, companies must identify the right data for their business, seek to acquire the information creatively from diverse sources, and secure the necessary IT support. Second, they need to build analytics models that are tightly focused on improving performance, making the models only as complex as business goals demand. Third and most important, companies must transform their capabilities and culture so that the analytical results can be implemented from the C-suite to the front lines. That means developing simple tools that everyone in the organization can understand and teaching people why the data really matters. Embracing big data is as much about changing mind-sets as it is about crunching numbers. Executed with the right care and flexibility, this cultural shift could have payoffs that are, well, bigger than you expect.

**We Gave Them a Tool, but Hardly Anyone’s Using It! Untangling the Knowledge Management Dilemma at TPA**

Alina Dulipovici, Ann-Frances Cameron

HEC Montréal Centre for Case Studies Case #HEC037 (16 pages) TN

Many organizations underestimate the challenges associated with the use of a knowledge management system (KMS). To better understand the nature of these challenges, this case describes the knowledge management efforts of a state governmental agency in the United States: Technology Project Authority (TPA). The case focuses on the three main phases of the TPA’s knowledge management strategy between 2004 and 2008. Under pressure to improve its business processes to sustain its expertise in IT project management, TPA implemented two KMSs during the period covered in the case. In the end, the second KMS was still not used as intended. Given our teaching objectives, students are asked to determine the characteristics of an organizational environment conducive to knowledge management activities, to evaluate the strategic alignment of the KMS, and to suggest a tailored method of analysis and reengineering for an integrated system such as the KMS needed at TPA.

**INTERNATIONAL BUSINESS**

**Global Product Development Strategy at Bosch: Selecting a Development Site for the New Low-Cost ABS Platform**

Martin Kupp

European School of Management and Technology Case #ES1301 (10 pages) TN

The case is set in February 2008. Stefan Tammler, head of the chassis systems control division (CC) of Robert Bosch GmbH (Bosch), has to make a decision about the location for the development of the new antilock braking system (ABS) for the low-price vehicle
(LPV) segment. The case begins with a short introduction outlining the situation. It gives a detailed background on Bosch, especially the chassis systems control division. The main part of the case focuses on the global product development strategy, highlighting especially the two development sites in Suzhou, China, and Yokohama, Japan. Furthermore, the Chinese car market is described in detail, with special emphasis on the LPV segment.

**Preventing Know-How from Walking Out the Door in China: Protection of Trade Secrets**

Marisa Anne Pagnattaro

*Business Horizons/Indiana University* Article

#BH481 (9 pages)

Protecting “know-how,” or trade secrets, is a vexing problem for companies doing business in China. Primary threats to the disclosure of proprietary information include deliberate actions of current and former employees as well as loss of trade secrets in the context of joint ventures or other business arrangements. Because China continues to be an important trading partner and its domestic market has tremendous consumer potential, many companies remain in China. With this in mind, what are the best practices firms should undertake to protect their trade secrets in China to prevent competitors from gaining an unfair advantage? Based on an analysis of Chinese trade secrets law, practical recommendations are offered. Although there is no way for employers to “bulletproof” the workplace from a loss of know-how, carefully crafted policies consistent with current trends in Chinese law will advance arguments in support of trade secret protection.

**What Panasonic Learned in China**

Toshiro Wakayama, Junjiro Shintaku, Tomofumi Amano

*Harvard Business Review* Article

#R1212J (6 pages)

When Panasonic started selling home appliances in the Chinese market a few decades ago, its only attempt at localization was to offer less expensive versions of developed-market offerings. But as the Chinese middle class began to emerge, Panasonic’s leaders discovered that local competitors such as Haier were quickly outpacing the Japanese company. While the home appliance market in China grew at 20% to 30% annually, Panasonic’s growth in China stayed flat. Panasonic’s leaders realized that they needed to engage more deeply with that market and learn to bridge two strategies that are often seen as mutually exclusive: finding competitive advantage through integrated, worldwide operations and focusing locally to meet consumers’ particular needs. As a result of efforts such as the creation of a China Lifestyle Research Center, ideas began flowing freely between China and the home office in Japan. The company soon embarked on initiatives to understand consumers all over the world, and Panasonic’s leaders began rethinking the company as a global rather than as a Japanese powerhouse.

**MARTKETING**

**American Apparel: Unwrapping Ethics**

June Cotte, Seung Hwan “Mark” Lee, Brittany Schuette

*Ivey Publishing Case*  
#W12134 (5 pages)

American Apparel, a popular clothing manufacturer, has socially progressive labor policies and uses significant environmental advances in its manufacturing process. In addition, it has a well-established philanthropic arm. But against these socially responsible policies is the highly sexualized nature of the company’s advertising. This element of the marketing mix seems, at least to some consumers, very much at odds with the other aims and policies of the company. The question facing students is whether this disconnect can be maintained or whether the brand’s advertising should change.

**Bank of America: Mobile Banking (Abridged)**

Sunil Gupta, Michael Norris

*Harvard Business School Case*  
#512082 (10 pages)

In January 2010, Bank of America is discussing its future mobile strategy. Should the company add complexity to its app, design multiple apps for business segments, or expand into other mobile channels?

**Better Customer Insight—in Real Time**

Emma K. Macdonald, Hugh N. Wilson, Umut Konus

*Harvard Business Review Article*  
#R1209H (8 pages)

To identify what influences the attitudes and behavior of customers, most companies rely on surveys, focus groups, and ethnographic research. The trouble is, surveys and focus groups tap customers’ memories, which are unreliable, and the presence of observers can cause customers to alter their behavior. The authors, three academics, believe they have found a new research tool without those flaws: real-time experience tracking. Conducted over mobile phones, RET allows companies to inexpensively collect instant, unbiased feedback from customers 24 hours a day. With RET, participants supply the answers to a four-question survey every time they encounter a brand, be it through a direct interaction, such as a purchase or ad, or an indirect one, such as a conversation with another customer. The process is incredibly simple: they need only text a four-character message. One major benefit is that RET allows firms to track campaigns as they unfold and readjust them toward the most effective tactics. This article describes how a growing number of companies, such as Schweppes, Energizer, and Fox, are using RET to inform their marketing decisions, increase sales, and help customers improve their own experiences.

**Cialis Life Cycle Management: Lilly’s BPH Dilemma**

Elie Ofek, Natalie Kindred

*Harvard Business School Case*  
#513005 (27 pages)

How should Eli Lilly further develop and market a new indication of its highly successful erectile dysfunction (ED) drug, Cialis, without confusing Cialis’s hard-won brand equity with physicians and patients? With the final stages of clinical trials for the new indication, benign prostatic hyperplasia (BPH), soon to be carried out, the team had to make a decision soon. On its face, the market opportunity for a BPH indication and its synergies with an ED drug seemed enormous; both ED and BPH were age-related conditions, and data showed that half of men with ED had BPH symptoms. Moreover, the BPH indication would be taken with the same frequency and dosing as the once-a-day version of Cialis. However, market research had revealed significant challenges in introducing...
India has been an emerging market that is witnessing radical changes in the lifestyles and the spending patterns of customers. There has been a significant change (post-liberalization) in terms of the manner in which consumers look at their self-concept. Exposure to Western ways and lifestyles through mass media, availability of discretionary income, and the impact of reference group appeals are some of the important aspects that have created interest in products and services associated with beauty care among consumers. Customers have become used to branded creams and lotions, and several of these offerings are being advertised with strong symbolic appeals associated with enhanced self-concepts. Kaya is a brand in the beauty care category. However, the brand’s offerings dealt with medically anchored services intended to enhance the looks of the customers. The brand opened up a new facet of beauty care services that was associated more with up-market and state-of-the-art hospitals, where customers opted for these services under the supervision of doctors who specialized in cosmetic surgeries/interventions. Would the differentiation between the first-time users of a beauty parlor and the loyal customers of a parlor offer insights that Kaya would find useful? Issues related to services management as well as customer value and customer loyalty were relevant to Kaya’s competitive strategies. Although the customers of a beauty parlor could be demographically different from Kaya’s customers, the benefits related to the beauty services offered were the same. The case is about how a brand that had created a category would find it useful to draw insights on brand loyalty from a related category that does not compete with it directly. Such a dimension of competitive learning is perhaps unique to an emerging market such as India.

Gaming the Gamers: Using Experience Maps to Develop Revenue-Generating Insights
Kent Grayson, Sachin Waikar, Gene Smith
Kellogg School of Management, Northwestern Case #KEL675 (19 pages) TN
A senior product manager for a telecommunications company has been asked to propose ideas for generating new revenue from video gamers who use his company’s Internet services. The manager has commissioned the development of “experience maps” for three subsegments within the gamer segment. The experience maps, which are reproduced in the case, provide students with an opportunity to generate customer insights based on real qualitative data.

Hohner Musikinstrumente GmbH & Co. KG: Break-Even Analysis
Julie Hennessy, Evan Meagher
Kellogg School of Management, Northwestern Case #KEL682 (5 pages) TN
This exercise is one in a series intended to help students learn how to perform financial calculations in marketing contexts. Helmut Schmidt, product manager for Hohner Musikinstrumente GmbH & Co. KG, the world’s foremost manufacturer of harmonicas, accordions, melodicas, and ukuleles, was sitting at his desk reviewing his first assignment from the company’s senior executive team. Schmidt had been asked to calculate the break-even point for the company’s flagship product, the Marine Band harmonica, under a number of different scenarios.
Increasing the ROI of Social Media Marketing
V. Kumar, Rohan Mirchandani
MIT Sloan Management Review Article #SMR431 (7 pages)

With the growth of social media, influencing consumer preferences and purchase decisions through online social networks and word of mouth is an increasingly important part of every marketer’s job. Companies such as Geico, Dell, and eBay are adapting the traditional one-way advertising message and using it as a stepping-stone to begin a two-way dialogue with consumers via social media. Marketers know that theoretically social media should be a powerful way to generate sustainable, positive word-of-mouth marketing. If marketers can select the right social media platform, design the right message, and engage the right users to spread that message, their campaign should be a success. But until now, that’s been a big if. The authors propose a seven-step framework for success in social media marketing campaigns. Their framework involves identifying social media users who are not only influential but also particularly interested in the company’s product or service category and then recruiting and incentivizing those influencers to talk about the company’s product or service category; and the Customer Influence Value, which helps measure the monetary gain or loss realized by a company in social marketing campaigns by accounting for an individual’s influence on purchases by other customers and prospects.

Modu: Optimizing the Product Line
Mohanbir Sawhney, Jon Nathanson, Oded Perry, Chad Smith, James Tsai, Sripad Sriram
Kellogg School of Management, Northwestern Case KEL651 (14 pages) TN

Israeli entrepreneur and inventor Dov Moran envisioned the creation of a mobile device that was a small, stand-alone, fully functional mobile phone that could be slipped into a variety of enclosures, or “jackets,” that would provide added functionality and better reflect the personalities of its users. As the development of the Modu phone began to take shape, Moran and his team decided that to ensure the success of the new phone’s much-anticipated launch, Modu would develop and market the accessory jackets itself. The question now was which of the eight jackets to develop and what factors should be considered in making that decision. The case is about how to estimate optimal product line extensions after accounting for experience curve and cannibalization effects of products that share similar features, cost, and price. This will require quantitative analysis that estimates the effect of the experience curve and cannibalization on cost, revenues, and ultimately profit. The issue is how to optimize profits by choosing an ideal set of products.

Targeting College Students on Facebook? How to Stop Wasting Your Money
Hemant C. Sashittal, Rajendran Sriramachandramurthy, Monica Hodis
Business Horizons/Indiana University Article #BH493 (13 pages)

While Facebook usage has seen explosive growth, scant research has explored returns on advertising dollars marketers invest in this emerging medium. Our two-stage study of 18- to 25-year-old college students suggests that many of the advertising dollars that consumer goods firms spend on Facebook are likely wasted. This study highlights that in addition to staying in touch with friends and relatives, Facebook users are primarily motivated by three desires: (1) to voyeuristically peer into others’ lives, (2) to create a distinctive identity for themselves, and (3) to act on their inner narcissistic tendencies. These motivations also make them poor prospects for advertisers, as users seem uninterested in Facebook ads and disengaged from marketers’ attempts to build brands. Herein we discuss challenges for marketers as well as opportunities for building brands and driving sales via Facebook.

Tchibo Ideas: Leveraging the Creativity of Customers
Sven Petersen, Francine Espinoza, Luc Wathieu
European School of Management and Technology Case #ES1291 (19 pages) TN

In 2008, the German coffee and consumer goods corporation Tchibo has launched Tchibo Ideas, an Internet platform where customers can share their product/design ideas with the company. The tension in the case emerges from the uncertainty regarding Tchibo's intentions.
for Tchibo Ideas. While some people perceive this move as a genuine attempt by the company to establish closer interactions with customers, some people see it simply as a marketing gimmick. The case describes the challenges and potential benefits that Tchibo Ideas is encountering, to foster a discussion on the value of a cocreation strategy.

**Walmart in China 2012**
Ali Farhoomand, Linda Holland Garrett
University of Hong Kong Case
#HKU984 (27 pages) TN

In this updated case on Walmart, the world’s largest retailer, the company remains actively committed to rolling out and refining its Every Day Low Price (EDLP) strategy across China while making smaller yet important strides to be locally relevant to its Chinese consumers. As recently as April 2012, Scott Price, then-CEO of Walmart Asia, shared his enthusiasm about Walmart’s growth and expansion in China. However, only a few short months later, by midsummer 2012 (although not captured in this case), the company announced it would cool the rate of its expansion in China. Michael Duke (Walmart’s president and CEO) and other company executives cited a persistently hard economic climate in the United States and abroad, difficulty securing real estate on the mainland to allow for better-laid-out stores, and a desire to hone its EDLP strategy as the reasons for the apparent pullback. This case is an update of the original case entitled “Walmart in China—Every Day Low Price,” published in 2005 by the Asia Case Research Centre. This updated case, in contrast to the original, addresses Walmart Sustainability Through Lightbulbs: Flickering Out?
Marian Moore, Tucker Norton
University of Virginia Darden School Case
#UV5762 (14 pages)

Compact fluorescent light bulbs (CFLs) were a signature piece in Walmart’s sustainability effort, and although by October 2007 Walmart’s goal of selling 100 million CFLs had been achieved, the achievement actually highlighted how little CFLs had penetrated. With over 100 million households in the United States, this impressive-sounding result actually meant fewer than one CFL per residence on average. Walmart had much more work ahead in positioning and pricing CFLs to make them viable presence in the lighting category. A public failure here could cause Walmart to lose momentum in the greening of its brand. Was the issue a matter of product, price, promotion, or positioning?

**NEGOTIATION**

**Deal Making 2.0: A Guide to Complex Negotiations**
David A. Lax, James K. Sebenius
Harvard Business Review Article
#R1211G (10 pages)

Most big deals—megamergers, major sales, infrastructure projects—are built on a series of smaller ones. Each component deal presents a tactical challenge, but sequencing the parts in a way that achieves the target outcome is a strategic challenge that can unfold over months or years. This process, which the authors call a negotiation campaign, must generally be conducted on several fronts, each involving multiple parties. A multifront campaign can be much more effective than direct negotiation. After failed talks between longshoremen and the Pacific Maritime Association (a group of shippers and port operators), the PMA’s president turned away from the bargaining table and embarked on a campaign to align members—firms, the business community, the U.S. government, and the public—with his target outcome: the deployment of new information technologies to help unlog busy ports. The result was an agreement that was ultimately mutually beneficial. Designing and executing a negotiation campaign involves identifying the relevant parties, grouping them into fronts according to shared interests, determining whether to combine fronts (if, for instance, doing so would unite your allies), and deciding which fronts to approach early on and which to engage only after you’ve made progress elsewhere. The deal between the PMA and the longshoremen involved high stakes, but many small-scale deals—such as gaining approval for a new product—also play out on multiple fronts. Going straight to a key decision maker often makes sense, but in many cases a multifront campaign is the only way.

**The Virginia Carlton-Taylor Hayden**
Sherwood C. Frey Jr., Lucien Bass, Hassan Mahmood
University of Virginia Darden School Case
#UV6340 (7 pages)

With the final paper of the semester now submitted, there was only one remaining obstacle for Taylor Hayden before departing the following afternoon for an exciting and challenging summer internship with a strategic consulting firm in Washington, D.C.: a meeting with Hunter Morgan. Morgan was the final prospect interested in subletting Hayden’s bedroom in the Virginia Carlton for the summer. All other inquiries had led to dead ends. If Morgan did not agree to sublet the bedroom, Hayden would have to absorb the full cost of the bedroom expenses for the summer—an unpleasant outcome, but one with which Hayden was reconciled. This case and its companion case, “The Virginia Carlton-Hunter Morgan” (UVA-QA-0782), describe a predominantly distributive bargaining situation to which additional issues can be added for the mutual benefit of both parties.

**OPERATIONS MANAGEMENT**

**Athletic Knit**
David Wood, Dina Ribbink
Ivey Publishing Case
#W12175 (8 pages) TN

This case investigates issues of obsolescence and inventory control in a local sportswear company that is competing on the global stage with both multinational corporations and foreign, low-cost distributors. Athletic Knit, a family-owned company in Toronto, faces the need to balance peak-season demand during the third quarter of the year with the available knitting production capacity. Inventory,
if it serves a purpose, can be an asset to a company, but too much inventory can be a liability. Trade-offs between capacity, inventory, and flexibility to meet custom orders must be met to support corporate strategy. Given the competitive nature of the industry, tighter inventory controls are essential, but the company must balance enhancing its reputation for fast responses to custom orders with managing inventory to prevent stockouts and/or overruns of stock that cannot be sold.

### Ethical Leadership and the Dual Roles of Examples

**Arlen A. Langvardt**

*Business Horizons/Indiana University Article*  
#BH486 (12 pages)

Through the examples they set, leaders do a great deal to shape—for good or for ill—the culture of the organizations in which they serve. Leaders thus serve in a teaching role. But in order to learn how to set positive examples, leaders must also be students who seek to learn what they can from others’ examples. Employing as a jumping-off point a recent high-profile and multifaceted scandal involving Penn State University and decision makers affiliated with it, this article explores a number of ethical decision-making lessons to be learned from that scandal and considers how those lessons can be applied to a variety of decisions faced by corporate leaders. Along the way, the article addresses ways in which common human tendencies impair the quality of thinking and decision making. It also offers ways for improving thinking quality and enhancing the ethical nature of resulting business decisions.

### Four Ways to Reinvent Service Delivery

**Kamalini Ramdas, Elizabeth Olmsted Teisberg, Amy L. Tucker**

*Harvard Business Review Article*  
#R1212H (10 pages)

Innovations that radically redefine how a service is delivered can create tremendous value for customers and for providers. But they require deep insight into clients’ needs and the revising of basic assumptions. It’s possible, for example, that a doctor can treat more than one patient at a time. Organizations can redefine service delivery along four dimensions. A change in one may unlock—or block—possibilities for innovation in the others. These four dimensions are: (1) The structure of the interaction. Sometimes the service becomes more valuable to clients if they share it with others or if multiple providers coordinate closely to deliver it. (2) The service boundary. If a segment of clients uses the same complementary services and has trouble accessing them, a provider might consider integrating them into its offering. (3) The allocation of tasks. Who actually delivers the service? Employees’ expertise might not match their assigned tasks. (4) The delivery location. This should be defined by the client’s needs, not by the provider’s needs.

### Gainesville Regional Utilities’ Feed-in Tariff

**Henry Lee, Leah Stokes**

*Harvard Kennedy School Case*  
#HK5703 (25 pages)  
*TN*

Inspired by the experiences in Germany and Spain, Gainesville Regional Utilities (GRU) developed a pilot feed-in tariff to stimulate investment in solar photovoltaic systems. This case explores the factors behind the decision to promulgate a feed-in tariff and the factors that affected the design of the tariff and its rate. Once the tariff was implemented, GRU found that its design created several perverse incentives that led to some unexpected results. The actions GRU took in response to these results are addressed in the epilogue. The case can be taught as either an energy policy case or as a regulatory economics case. Regulation and management issues such as asymmetry of information between the utility and renewable industry are explored.

### Global Knowledge Management at Danone (A) (Abridged)

**Amy C. Edmondson, David Lane**

*Harvard Business School Case*  
#613003 (14 pages)  
B and C Cases available

This case explores French consumer goods company Danone’s novel approach to knowledge management. In 2007, Human Resource Chief (Executive Vice President) Franck Mougins assessed the company’s knowledge-sharing tools and considered his options going forward. Through informal knowledge marketplaces and sharing networks, Danone had helped managers connect with each other and share good practices peer-to-peer rather than relying on traditional hierarchical lines of communication or IT repositories. From 2004 to 2007, Mougins and his team had found that 5,000 Danone managers around the world—the company conducted business in 120 countries—had shared about 6,400 now-documented good practices. In 2007, the strategic importance of saving time in a decentralized organization through adoption of colleagues’ good practices was put to a test. Should the knowledge management tools be extended to include all employees and external partners on a regular basis? And on top of sharing good practices, could it be extended to include the creation of new solutions and processes? Would this require more formalization of processes and more tracking of results? The case illustrates Mougins’s options for taking knowledge management into the future of Danone.

### Goldlake Eurocantera/Honduras

**Sinan Erzurumlu, Marty Anderson, Assheton L. Stewart Carte**

*Babson College Case*  
#BAB205 (11 pages)  
*TN*

The GOLD Group, an international for-profit Italian holding company, has long fostered an entrepreneurial tradition of entering new markets with innovative business models. GOLD launched Goldlake, a mining industry investment company, through its subsidiary Eurocantera in Honduras. Goldlake considered its organizational goals to be commercial viability and the environmental and social impacts of its business decisions on reputational and financial value. This case focuses on how Goldlake developed values based on principles of human and environmental sensitivity and how it turned the social innovation of community inclusiveness into a competitive advantage. The case demonstrates how social responsibility applies to organizational practices by placing environment and people at the center of a business model and how sustained competitive advantage depends on stakeholder involvement in the supply chain. The case reveals the organizational complexity and rewards of social innovations and suggests a strategic perspective for social and commercial value generation.
Half a Century of Supply Chain Management at Walmart

P. Fraser Johnson, Ken Mark
Ivey Publishing Case
#W12894 (23 pages)

A stock analyst is preparing a recommendation on what his firm, a large U.S. investment house, should do with its stake in Walmart Stores, Inc. Walmart, the world’s largest retailer, was trying to recover from a series of missteps that had seen competitors such as Dollar Stores and Amazon.com close the performance gap. Competitors had copied many aspects of Walmart’s distribution system, from cross-docking product to eliminating storage time in warehouses, positioning stores around distribution centers, and adopting widespread electronic data interchange (EDI) to manage ordering and shipping from suppliers.

Mumbai’s Models of Service Excellence

Stefan Thomke
Harvard Business Review Article
#R1211K (7 pages)

Think you need exceptional employees, advanced IT, or rigid controls to build a high-performance organization? The dabbawalas of Mumbai prove otherwise. Six days a week, these 5,000 self-managed, semiliterate workers deliver upwards of 130,000 lunches from customers’ homes to their offices with astonishing precision—negotiating the crowded city by train, bicycle, and handcart without the aid of any technology or even cell phones.

The 100-year-old service is legendary for its reliability; despite monsoons, floods, riots, and terrorist attacks, mistakes by the dabbawalas are extremely rare. Thomke, an HBS professor, studied the dabbawalas to find the keys to their success. He uncovered a unique system with four pillars: organization, management, process, and culture. A flat structure, consisting of autonomous units of 25 people each, is well suited to providing low-cost service. The tight schedule of the train lines over which meals are ferried regulates everyone’s work. Buffer capacity is built in to address extremely thin margins of error; each unit has extra workers who fill in wherever they are needed, and members are cross-trained in all activities. Variations that might derail the works are discouraged; the lunchboxes used, for instance, are all a standard size. A simple coding system helps workers quickly sort lunches and get them where they need to go. And democratic decision making and deep emotional bonds among workers promote a high degree of cooperation. The dabbawalas show that with the right system even ordinary workers can achieve the extraordinary.

Nokia’s Supply Chain Management

Russell Walker, Joanna Wilson
Kellogg School of Management, Northwestern Case
#KEL673 (8 pages)

In March 2000, a fire broke out at the Royal Philips Electronics plant, damaging its supply of semiconductor chips. Nokia Corporation and Ericsson LM relied on these chips to produce their cell phones; together they received 40% of the plant’s chip production. Both companies were about to release new cell phone designs that required the chips. At Nokia, word of the setback spread quickly up the chain of command. Nokia’s team, which had a crisis plan in place, sprang into action. With an aggressive, multipronged strategy, Nokia avoided any cell phone production loss. In contrast, the low-level technician who received the information at Ericsson did not notify his supervisors about the fire until early April and had to scramble to locate new sources for the chips. This search delayed production and proved a fatal blow to Ericsson’s independent production of mobile phones.

Project Management Analysis in the Internet Forecasting Industry

Owen Hall, Kenneth Ko
Ivey Publishing Case
#W12041 (3 pages)

B&W Systems designs and distributes a variety of management software products through the Internet and retail outlets such as Best Buy. The company is currently considering the development of an Internet-based forecasting system...
and wishes to effectively manage the project. This system is designed specifically for the new start-up or small-business owner. The project manager, after consulting with the technical staff and reviewing historical efforts, has developed the task descriptions, time estimates, and immediate predecessor (IP) relations. The project manager plans to use existing software components during the development phase as a means of keeping project costs and the overall time frame within bounds. Nevertheless, multiple task time estimates were formulated, due in part to the inherent uncertainties associated with software development.

**ORGANIZATIONAL BEHAVIOR**

**Accelerate!**
John P. Kotter
Harvard Business Review Article
#R1211B (13 pages)

The old ways of setting and implementing strategy are failing us, writes the author of *Leading Change*, in part because we can no longer keep up with the pace of change. Organizational leaders are torn between trying to stay ahead of increasingly fierce competition and needing to deliver this year’s results. Although traditional hierarchies and managerial processes—the components of a company’s “operating system”—can meet the daily demands of running an enterprise, they are rarely equipped to identify important hazards quickly, formulate creative strategic initiatives nimbly, and implement them speedily. The solution Kotter offers is a second system—an agile, networklike structure—that operates in concert with the first to create a dual operating system. In such a system the hierarchy can hand off the pursuit of big strategic initiatives to the strategy network, freeing itself to focus on incremental changes to improve efficiency. The network is populated by employees from all levels of the organization, giving it organizational knowledge, relationships, credibility, and influence. It can liberate information from silos with ease. It has a dynamic structure free of bureaucratic layers, permitting a level of individualism, creativity, and innovation beyond the reach of any hierarchy. The network’s core is a guiding coalition that represents each level and department in the hierarchy with a broad range of skills. Its drivers are members of a “volunteer army” who are energized by and committed to the coalition’s vividly formulated, high-stakes vision and strategy. Kotter has helped eight organizations, public and private, build dual operating systems over the past three years. He predicts that such systems will lead to long-term success in the 21st century—for shareholders, customers, employees, and companies themselves.

**Bosch Group in India: Transition to a Transnational Organization**
Abhoy Ojha
Indian Institute of Management Bangalore Case
#IMB301 (18 pages)

The Bosch Group is a leading global supplier of technology and services with a concentration in areas of automotive technology, industrial technology, consumer goods, and building technology. The case describes the structural changes in Bosch over its lifetime, from its founding in 1886 to the most recent changes initiated in 2007 to make it into a transnational organization. The description focuses on two types of reasons for change—one driven by the growth of the organization and the other driven by internationalization/globalization. Until recently, Bosch’s operations were structured as global geographic divisions. In 2007, the organization initiated a program to reorganize the operations as a global matrix structure. The case describes in some detail the latest changes to adopt the transnational matrix structure with emphasis on global product divisions instead of the earlier emphasis on geographic divisions outside Europe. In the second part of the case, some of the opportunities and challenges that have emerged in the Indian operations of Bosch as a consequence of the global changes initiated by the headquarters are described. Prior to the recent changes, the companies of the Bosch Group in India operated as would any other local Indian company, with limited interface with other group companies and little interference from headquarters. They were also doing quite well, and the managers and employees were not expecting any restructuring. However, as part of the changes driven by global headquarters, the Indian operations had to undergo tremendous structural and process changes—there would be greater integration among the group companies in India and with global product divisions. The case examines the challenges and opportunities of implementing organizational changes in a context where there is no felt need for change.

**Going Flat: Pursuit of a Democratic Organizational Structure**
Bidhan Parmar, Julia Abell
University of Virginia Darden School Case
#UV6499 (8 pages)

A 2010 MBA graduate explored her options for full-time employment. She found the Ethical Business Company (EBC) and was instantly intrigued. Not only did the company consult on many of the ethical issues that were important to her, but it also had a flat organizational structure. Although it was a riskier choice than going with a larger and more established firm, she was excited about being able to use her skills in direct interaction with clients and senior executives rather than having them hidden beneath multiple layers of hierarchy. But after three weeks at EBC, she wondered whether a flat structure is right for all companies and all employees or if there are certain companies and people who fit better than others in the hierarchy.

**Growing Managers: Moving from Team Member to Team Leader**
Brenda Ellington-Booth, Karen L. Cates
Kellogg School of Management, Northwestern Case
#KEL629 (11 pages)

This case describes a newly promoted middle manager in a global, multicultural organization who is challenged by a number of factors in the workplace that are impacting her and her team’s ability to perform to the expectations of her regional manager. While it would be easy to blame the new manager, deeper analysis in fact reveals that many forces are at work here in addition to her inexperience, including communication of strategy and performance objectives, mismanaged team members, cultural inconsistencies, and a lack of leadership direction and/or skill from the very top to her supervising manager.

**Helen Drinan: Giving Voice to Her Values (A)**
Mary L. Shapiro, Cynthia A. Ingols, Mary C. Gentile
North American Case Research Association Case
#NA0144 (4 pages)

In early 2006, Helen Drinan, senior vice president of human resources, Caritas Christi Health Care System (CCHCS), Boston, received two sexual harassment charges

*Reviews available to Premium Educators*
against the organization’s CEO and president, Robert Haddad. While she knew she was legally charged with acting, she faced a complicated situation. One, the hospital system was owned and operated by the Archdiocese of Boston with Cardinal O’Malley as the chairman of the board for the system; and two, these charges came after the priest molestation cases that rocked the Catholic Church of Boston. In Case A, Drinan presented the well-documented results from an independent investigator into the sexual harassment charges against Haddad. Although Drinan’s investigator presented clear evidence of Haddad’s guilt, the cardinal decided to launch a second investigation, using the church’s lawyers. Drinan, interpreting this action as a delaying or avoidance tactic, decided that she must act. But what should she say to whom, and how should she frame this critical conversation? In Case B, students read the letter Drinan sent to O’Malley voicing her values. There is an extensive epilogue that the instructor can report from or hand out to students that brings the case to a conclusion.

InvestCo: Ranking and Promotion Redesign
Erika H. James
University of Virginia Darden School Case #UV5853 (6 pages)
To retain competitive advantage in uncertain times, a leading investment bank aligns HR practices with its corporate values and mission through a new 360-degree assessment system. Rolled out among officer-level employees, the performance management system is put to the test at promotion time. There is an extensive epilogue that the instructor can report from or hand out to students that brings the case to a conclusion.

Mundell & Associates, Inc.; Managing When Faith Really Matters
Jeanne G. Buckeye, John B. Gallagher, Elizabeth Garlow
North American Case Research Association Case #NA0148 (15 pages)
The owner of Mundell & Associates is making plans to embark on a significant remake of the company culture. To that end, he is considering specific, concrete changes in company policies and practices in order to more fully embed his faith convictions and spiritual values in the culture of the company and the consciousness of employees. Those values have always been present and active in shaping the business; the company is one of the largest companies participating in the Economy of Communion (EOC) project, a worldwide, faith-based effort to humanize economic activity through use of thoughtful business practices and profit redistribution. The owner is convinced that being an EOC company requires more than sharing profits or following particular practices. It means being an actual community, one marked by the involvement and engagement of all employees. The way forward is not at all clear, and so the owner and students must consider several possible options, weigh the advantages and disadvantages of different organizational behavior approaches, and devise a concrete course of action.

Sir Alex Ferguson: Managing Manchester United
Anita Elberse, Thomas Dye
Harvard Business School Case #513051 (25 pages)
Sir Alex Ferguson, the most successful manager in British football history, is preparing for the 2012–2013 season—his record-setting 26th as manager of one of the world’s most decorated professional football clubs and one of sport’s biggest franchises. Over the years Ferguson has overcome several major challengers to United. The newest rival can be found closer to home; since Manchester City, United’s “noisy neighbor,” has switched owners, the club has invested unprecedented amounts of money in new players, resulting in its first league title in decades. How can Ferguson lead his team to another victory and bring the next chapter in United’s illustrious history to a successful end?

Sociable Labs (A)
Arar Han, Russell Siegelman
Stanford University Case #E435A (5 pages)
B and C Cases available
Sociable Labs was conceived as a start-up business attempting to use friend recommendations to curate and recommend purchase opportunities on the Internet. Much as his Facebook social events app helped friends discover events based on their friends’ events, founder Nisan Gabbay wanted to show users what their friends were buying or “liking” in the hope that such knowledge would help guide their purchases and even enable merchants to use Facebook to help grow their sales. How would he discover what his customers needed and what they were willing to pay for?

Against the Grain: Jim Teague in Tanzania (A)
Karthik Ramanna
Harvard Business School Case #112069 (8 pages)
B Case available
Loan officer Jim Teague discovers his agro-processor client has a serious health-code violation just days before a disbursement is due. Proceeding with the loan could jeopardize the health of thousands of customers and put his employer at serious risk. But withholding the loan will likely deprive hundreds of farmers...
affiliated with the agro-processor of their liveli-
hoods in this poor, rural corner of Tanzania.

Google.org: For-Profit Philanthropy
Michael Belinsky, Richard Cavanagh
Harvard Kennedy School Case
#HK5699 (25 pages)
The Google.org: For-Profit Philanthropy case introduces a distinct social enterprise structure, a combination of a philanthropic division of a for-profit corporation and a nonprofit foundation. The case provides an up-to-date, in-depth description of Google.org, one such hybrid, and a brief overview of salesforce.com, a comparable hybrid. This case provides an opportunity to explore the tensions between the for-profit and nonprofit entities that inevitably arise in such structures as well as factors that contribute to these tensions and solutions that have been attempted to address them. The case revolves around the tension caused when a non-entrepreneurial entity, Google.org, is created within the entrepreneurial culture of Google. Unlike most entrepreneurial ventures, Google.org is flush with cash; like many, it lacks cohesion around mission and vision.

The Night Ministry: Facing the Loss of a Founder
Anne Cohn Donnelly, Sara Lo
Kellogg School of Management, Northwestern Case
#KEL667 (9 pages) TN
Paul Hamann was senior vice president of The Night Ministry, a Chicago-based not-for-profit organization. In October 2003, he received a phone call from the wife of the Reverend Tom Behrens, the founding president and the public face of the organization. She told Hamann that Behrens had suffered a massive stroke and that doctors were unsure of his prognosis. Behrens had been walking the streets of rundown Chicago neighborhoods since 1976, looking for people in despair, listening to their needs, and offering them a helping hand and a consoling presence. In the intervening twenty-seven years, he had built The Night Ministry into a well-known organization that helped thousands of adults and youth every year. No succession plan, if one existed, had ever been conveyed to senior management. Now Hamann was unsure when or even if Behrens would be able to work again. If Behrens returned to work, would he be able to continue to lead the organization? If not, who would lead The Night Ministry going forward, even if it were just for the near term, and who would make that decision? How would the community and major donors react to a new leader?

STRATEGY

Big Data: The Management Revolution
Andrew McAfee, Erik Brynjolfsson
Harvard Business Review Article
#R1210C (9 pages)
“Big data”, the authors write, is far more powerful than the analytics of the past. Executives can measure and therefore manage more precisely than ever before. They can make better predictions and smarter decisions. They can target more effective interventions in areas that so far have been dominated by gut and intuition rather than by data and rigor. The differences between big data and analytics are a matter of volume, velocity, and variety: more data now crosses the Internet every second than was stored in the entire Internet 20 years ago. Nearly real-time information makes it possible for a company to be much more agile than its competitors. And that information can come from social networks, images, sensors, the web, or other unstructured sources. The managerial challenges, however, are very real. Senior decision makers have to learn to ask the right questions and embrace evidence-based decision making. Organizations must hire scientists who can find patterns in very large data sets and translate them into useful business information. IT departments have to work hard to integrate all the relevant internal and external sources of data. The authors offer two success stories to illustrate how companies are using big data: PASSUR Aerospace enables airlines to match their actual and estimated arrival times, and Sears Holdings directly analyzes its incoming store data to make promotions much more precise and faster.

Digital Microscopy at Carl Zeiss: Managing Disruption
Willy Shih
Harvard Business School Case
#613039 (8 pages)
Ulrich Simon, the head of the microscopy business group at Carl Zeiss AG, knew that his unit was facing a disruptive threat, so he chartered a special team to tackle the industrial segment. Given a high degree of autonomy, the project team developed an understanding of the marketplace challenge and proceeded to develop and execute a new business plan. Simon gave the team ample freedom to develop new processes and priorities appropriate to the market segment needs, but he couldn’t help but wonder whether it would continue as a stand-alone unit or he would need to reconfigure it into the mainline business. He also was nervous about the plan itself. The team had established timelines and milestones, but now they had to execute and deliver their first product next year.
Surviving Disruption
Max Wessel, Clayton M. Christensen
Harvard Business Review Article
#R1212C (10 pages)

In this article Wessel and Christensen, both of Harvard Business School, introduce a way to work out how dangerous a disruption may be to your business. With a deep understanding of the jobs your company really does for customers and a clear take on both the advantages the disrupters have and the barriers they face, you can predict whether, to what extent, and how quickly an approaching disruption might displace your business model. Then you can take steps to maximize your core strengths in response. The authors offer as an example the disruption of retail grocery stores. Although only about 1% of all groceries in the United States are currently bought online, the theory of disruption suggests that e-grocers will speed their delivery times, increase their product selection, and add features we can hardly imagine today in pursuit of new customers and higher profit margins. Nevertheless, of the three main jobs for which customers use retail grocers—to stock up on nonperishables, shop for tonight’s dinner, and grab an emergency item—only the first is vulnerable right now to the disrupters’ extendable core: its ability to maintain radically lower prices as it creeps upmarket in search of more customers. That means traditional grocers need to focus on developing innovations to strengthen their hold on the other two.

TWA Parts (A) Abridged
V.G. Narayanan
Harvard Business School Case
#113030 (12 pages)
B Case available

Transworld Auto Parts had to implement its new strategy flawlessly to survive the auto industry upheaval. The new CEO asked her leadership team to craft strategy maps and balanced scorecards to help each division implement its strategies.
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