

TEACHING MATERIALS

NEWSLETTER

FALL 2016

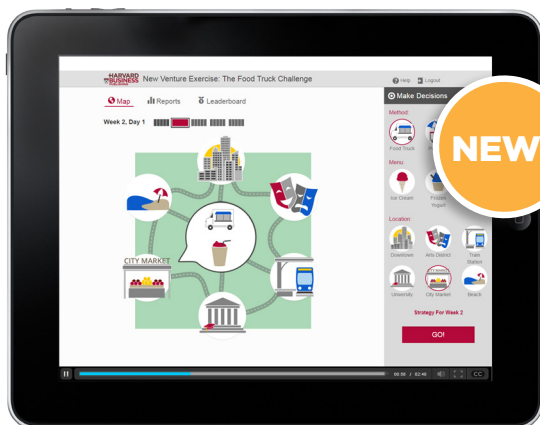
New Venture Exercise: The Food Truck Challenge

Students Learn Trade-Offs Between Analysis, Experimentation, and Scale

THE FOOD TRUCK CHALLENGE is a short, competitive exercise that teaches students the value of learning by doing, prototyping, and being willing to fail. Created by Michael A. Roberto, author of the best-selling *Leadership and Team: Everest Simulation*, the exercise covers the challenging trade-offs that leaders face as they launch a new business, product, or service.

As students try to run a successful food truck in the fictional city of Boomtown, they work individually or in teams to achieve maximum revenue over 5 simulated weeks. In each round, students make decisions in hopes of finding the best menu-location combination and yielding the highest sales. They begin by analyzing

market data and making a plan, but must then decide whether to (a) go to scale right away with the food truck, (b) conduct further research and analysis, or (c) experiment with a low-capacity pushcart. In the class debrief, students learn about the trade-offs between analysis, experimentation, and scale.



The Food Truck Challenge is **ideal for discussions of innovation, product development, design thinking, lean start-up, entrepreneurship, strategy, marketing, and organizational learning.** It requires no student prework and can be played in 20-30 minutes on a computer, tablet, or mobile phone.

Michael A. Roberto | Multi-player or Single-player | Seat time: 20-30 minutes | #7201 | **TN**

Registered Premium Educators can see a full Free Trial online.
Not a Premium Educator? Registration is free: educatoraccess.hbsp.harvard.edu

NEW CASE FLASH FORWARDS

Each Case Flash Forward provides a 2-3-page update of key changes at a particular company since it was covered in a related case study.

Case studies with new Case Flash Forwards include:

ACCOUNTING

Delta Air Lines #6059

Microsoft's Financial Reporting Strategy #8600

FINANCE

Cost of Capital at Ameritrade #8577

Debt Policy at UST, Inc. #8589

Dividend Policy at Linear Technology #8599

MARKETING

JetBlue Airways: Starting from Scratch #8582

The New York Times Paywall #8620

Lenovo: Building a Global Brand #8593

Snapple #8596

OPERATIONS MANAGEMENT

Innovation at 3M Corporation #8618

Pharmacy Service Improvement at CVS #8566

STRATEGY

Cola Wars Continue: PepsiCo #8619

Haier Group #8595

HTC Corp. #8590

Responding to the Wii? #8594

Teva Pharmaceuticals Industries, Ltd. #8602



Motivating Students for Case Method Learning

Encourage Students to Prepare and Discuss Cases



Motivating students to prepare for class and participate in discussions is a challenge many instructors face. William Ellet, adjunct professor of management communication at Brandeis International Business School and facilitator of Harvard Business Publishing's Case Method Teaching Seminars, has compiled a list of best practices through which instructors can motivate students to prepare cases and participate in discussions. Originally starting as a conversation at the Teaching Post—HBP's forum for case instructors to discuss teaching techniques—the abbreviated list below combines Ellet's ideas with contributions from a few of his peers.

Visit the Teaching Post to see comments from other instructors on this topic and other case method topics: teachingpost.hbsp.harvard.edu

Persuasion:

- Introduce students to case method and how they benefit from it
- Emphasize how thinking on their feet and learning to draw conclusions benefits their career
- Address and empathize with students' anxiety about case analysis and participation
- Show enthusiasm (if you aren't enthusiastic, students won't be)

Class Participation Grades:

- Make clear the percentage of overall grade tied to participation
- Share the criteria you will use to grade participation
- Try a higher percentage and evaluate the effect

Study Groups:

- Organize students into small groups to discuss a case before class
- Groups can meet virtually (e.g., Skype)

Pre-Class Writing Assignments:

- Usually results in a higher level of preparation
- Assigning a few questions is better than many

- Before assigning the first case, explain to students how to use the questions in case analysis
- Experiment with grading assignments or simply providing feedback

Relevant and Short Cases:

- Relevant cases don't have to be new or recent
- When using an older case, explain the relevance of the business situation before students prepare it
- Shorter cases can be easier for students to digest

Presentations and Debates:

- Preassign groups of students to give analysis of a case in class
- Preassign groups to take opposite sides of the case's main issue and present them in class; assign other students to ask questions of opposing sides

Group Assignments in Class:

- Assign groups when students come to class; ask them to establish a position on the case's main issue and provide key supporting evidence; have groups present
- Assign groups to study specific aspects of the case and report back to entire class (e.g., What financial facts are relevant to the decision the protagonist must make?)

INTRO-LEVEL CURRICULUM MAPS

For Undergraduate and MBA Courses

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

- Entrepreneurship
- Finance
- Marketing
- Operations Management
- Strategy

hbsp.harvard.edu/maps

LEARN MORE: teachingpost.hbsp.harvard.edu

Free Trial Access to Exercises and Simulations is available to Premium Educators on our web site. Registration is free.

Web Articles from HBR.org

NOW IN DIGITAL COURSEPACKS

Web articles from *Harvard Business Review* are now available to instructors on the Harvard Business Publishing for Educators web site. Originally published online at hbr.org, these articles can now be assigned in coursepacks for students on hbsp.harvard.edu.

Over 3,500 web articles from hbr.org, dating back to 2014, are available across 18 disciplines. In addition, new web articles will be available on the Educators web site as they are published.



Popular Articles from hbr.org include:

GENERAL MANAGEMENT

A Refresher on Regression Analysis #2087

5 Essential Principles for Understanding Analytics #H02FP8

Proof That Positive Work Cultures Are More Productive #H02IMC

What Separates High-Performing Leaders from Average Ones #H02GRA

HUMAN RESOURCE MANAGEMENT

How an Accounting Firm Convinced Its Employees They Could Change the World #H02DTW

How to Negotiate with Someone More Powerful Than You #H00UJX

What Amazing Bosses Do Differently #H02IOY

Why More and More Companies Are Ditching Performance Ratings #H02BW4

INFORMATION TECHNOLOGY

How People Are Actually Using the Internet of Things #H02FO1

The End of Expertise #H02F8H

Where the Digital Economy Is Moving the Fastest #H01VY2

MARKETING

A Simple Graph Explains the Complex Logic of the Big Beer Merger #H02FMF

Conducting a Social Media Audit #H02GAO

What Really Makes Customers Buy a Product #H02FG5

Why Simple Brands Win #H02GRP

ORGANIZATIONAL BEHAVIOR

3 Things Managers Should Be Doing Every Day #H02DCU

How Company Culture Shapes Employee Motivation #H02I48

"Leadership Qualities" Vs Competence: Which Matters More #H02GLO

What Kind of Thinker Are You? #H02ICU

SOCIAL ENTERPRISE

Luxury Brands Can No Longer Ignore Sustainability #H02NNT

How Businesses Can Support a Circular Economy #H02MV1

STRATEGY

5 Strategy Questions Every Leader Should Make Time For #H02BRH

Europe's Other Crisis: A Digital Recession #H02FPQ



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NEWLY RELEASED

- ARTICLES
- BOOKS & CHAPTERS
- CASES
- CORE CURRICULUM
- eLEARNING

ACCOUNTING

American Apparel: Drowning in Debt?

Anupam Mehta

Ivey Publishing Case

#W16208 (8 pages) **TN**

Instructor and Student Spreadsheets Available

The American clothing retailer American Apparel recently experienced a loss of \$106 million and faced huge debt repayments. In addition, the chief executive officer and founder was dismissed because of personal misconduct. Students must evaluate the financial status of the company and address the impact of the CEO's termination on the financial performance of the company.

Hôpital Universitaire de Mirebalais/ Partners in Health in Haiti

Robert S. Kaplan; Bipin Mistry; Karla Bertrand

Harvard Business School Case

#116041 (25 pages)

The case describes the application of time-driven activity-based costing (TDABC) at a new tertiary hospital operated by Partners in Health in Mirebalais, Haiti. A project team mapped the clinical processes for use in estimating the direct costs of personnel, equipment, and facilities for obstetric and breast cancer care. The accurate cost information revealed opportunities to optimize resource utilization and reduce costs by establishing more efficient sterilization procedures and task-shifting administrative responsibilities away from high-cost physicians. The information would also potentially be used for budgeting and to propose new payment models with Haiti's Ministries of Health and Finance.

Johansen's: The New Scorecard System

Luann J. Lynch; Jennifer Forman; Graham Gillam

Darden School of Business Case

#UV7131 (15 pages) **TN**

Johansen's has just completed its first year under a new scorecard system for evaluation of manager performance. The manager of Store 51 has traditionally been one of the company's top-performing managers from a financial standpoint, but his overall performance rating has declined due to performance in non-financial dimensions. The managers at the performance summit must discuss his performance in the context of a new performance evaluation system, measurement issues around the nonfinancial metrics, and retention concerns. An alternative version of this case (UVA-C-2349) takes a less conventional role-play pedagogical approach to the same material.

The Maggi Noodle Safety Crisis in India (A)

Karthik Ramanna; Radhika Kak

Harvard Business School Case

#116013 (23 pages) **TN**

B and C Cases Available

The local government in Delhi has ordered a ban on Nestlé's flagship product in India, Maggi Noodles, citing excessive lead content per government lab tests. Nestlé disputes the government tests, noting that internal and third-party tests show the product to be safe. There is considerable confusion in the media and among Nestlé's customers, and Maggi sales begin to plummet. Other local governments and India's federal food-safety regulator also consider bans. Nestlé must decide how to respond—options include suing the regulators and withdrawing the product, which could impact up to 25% of Nestlé's sales in India.

Red Spruce Resort

Elizabeth M.A. Grasby; Shannon Wright

Ivey Publishing Case

#W15571 (7 pages) **TN**

The general manager of a resort was considering completely renovating the resort's suites for the upcoming season. He would need to submit a proposal to the resort owners for funding approval. Although he knew the renovation would increase customer satisfaction, he would need to justify the significant up-front investment from a financial perspective.

Textbooks for Change

Elizabeth M.A. Grasby; Shannon Wright

Ivey Publishing Case

#W16111 (5 pages) **TN**

In May 2015, the chief executive officer of a small social enterprise was trying to decide how to expand business. Textbooks for Change collected used texts from universities and supported African entrepreneurs and universities by donating text sales proceeds or through the distribution of donated materials to deserving schools. The CEO was considering expanding the business to collect textbooks from universities outside its region, and wanted to assess the potential financial viability of 3 targeted universities.

BUSINESS & GOVERNMENT RELATIONS

Blue Origin, NASA, and New Space (A)

Matthew C. Weinzierl; Angela Acocella

Harvard Business School Case

#716012 (34 pages) **TN**

Jeff Bezos, 6 years after starting a revolution in retailing with Amazon.com, turned his

lifelong passion for space into a start-up, Blue Origin. Blue (as it was called) was a part of the New Space industry, a collection of start-up aerospace engineering companies that were intent on disrupting the American space sector with new technologies, new management approaches, and competitive pressure. NASA hoped to leverage New Space to outsource its near-Earth activities and refocus its own efforts on deep space exploration. One of the agency's main mechanisms for this shift of activities was its Commercial Crew Development program (CCDev), a multiphase initiative launched in 2009. Blue participated in the first 2 rounds of CCDev, and by all accounts these had been win-win experiences for it and NASA. The decision point of the case is whether Blue should participate in the third, much larger, and more complex stage of CCDev. The trade-off facing Blue's leaders was between the legitimacy, expertise, and funding provided by working with NASA and the autonomy, efficiency, and independence threatened by working with NASA. How would Blue, with its clear respect for NASA but its desire (and financial ability) to set its own priorities, make this trade-off?

South Africa: A Fractured Rainbow?

Richard H.K. Vietor;
Haviland Sheldahl-Thomason
Harvard Business School Case
#716069 (33 pages)

Twenty years after the end of apartheid, South Africa's democracy persists, albeit with problems. A tripartite coalition—the African National Congress, the labor unions, and the Communist Party—still control the political system, but with diminishing economic results and authority. Since 2010, the economy has grown at 1.4% annually, with unemployment at 25%. Several national plans have been initiated—most recently the National Development Plan, the Zuma administration's approach—but none with success. And then, at the end of 2015, cronyism sank the stock market and the currency, causing a political crisis. Pravin Gordhan, an experienced bureaucrat, is once again finance minister but faces the trade-off between growth and debt reduction.

BUSINESS ETHICS

After the Wrongdoing: What Managers Should Know about Whistleblowing

Janet P. Near; Marcia P. Miceli
Business Horizons Article
#BH721 (10 pages)

Most of us are likely at some point to observe wrongdoing in our organizations, and some of us will blow the whistle to someone with the authority to put a stop to the wrongdoing. Or we may be managers, inspectors, or auditors who serve as the official "complaint recipient" when one of our colleagues wants to report wrongdoing in the organization. Whether we blow the whistle or are tasked with cleaning up after someone else does so, we are better off knowing in advance how the whistleblowing process usually plays out. In this article, the authors discuss the pragmatic implications of 30 years of systematic research about whistleblowing: who does it and when, and why they choose to report the wrongdoing internally (within the organization) or externally (to outsiders). To avoid external whistleblowing, which entails all sorts of costs for the organization, the authors recommend that managers take clear steps: investigate the allegations, make the results of the investigation known to those affected, correct the problem if one is found, and avoid reprisal against whistleblowers. These actions can increase the chance that information about organizational wrongdoing stays inside the organization, where it may be remedied, instead of being made public.

Apple: Privacy vs. Safety?

Henry McGee; Nien-he Hsieh;
Sarah McAra
Harvard Business School Case
#316069 (33 pages)

In 2015, Apple CEO Tim Cook debuted the iPhone 6S with enhanced security measures that enflamed a debate on privacy and public safety around the world. The iPhone 6S, amid a heightened concern for privacy following the 2013 revelation of clandestine U.S. surveillance programs, employed a default encryption system that prevented both Apple and government authorities from accessing data stored on the device. Law enforcement officials warned that the encryption hindered investigations of criminal cases and interna-

tional terrorism and called on Apple to build a back door, a way to bypass the encryption. But Cook maintained that any back door would compromise customers' privacy and security. In 2016, a federal judge ordered Apple to provide technical assistance to unlock the iPhone used by a terrorist who, along with his wife, killed 14 people in San Bernardino, California. Apple refused to comply with the order and asked the government to withdraw its demand. As the court case unfolded, Cook considered his responsibilities to the U.S. government as well as to Apple's customers, employees, and shareholders.

Corruption in Russia: IKEA's Expansion to the East (A)

Urs Mueller
ESMT Case
#ES1691 (8 pages) **TN**
B, C, and D Cases Available

This 4-part case series can be used to discuss business ethics, compliance/governance, integrity management, and reacting to and preparing against corruption in the context of internationalization, and it touches briefly on the issue of corporate social responsibility (CSR). Case (A) describes a challenge IKEA was facing while trying to enter Russia in 2000. The company was preparing to open its first flagship store on the outskirts of Moscow, only the first of several planned projects. After substantial investments in infrastructure and logistics, IKEA focused on marketing but quickly faced a sudden complication. Its major ad campaign in the Moscow Metro with the slogan "Every 10th European was made in one of our beds" was labeled "tasteless." IKEA had to stop the campaign because it "couldn't prove" the claim. Soon Lennart Dahlgren, the first general manager of IKEA in Russia, must have realized that the unsuccessful ad campaign was going to be the least of his problems: a few weeks before the planned opening, the local utility company decided not to provide its services for the store if IKEA did not pay a bribe. What should IKEA and Lennart Dahlgren do? Is there any alternative to playing the game the Russian way and paying? The subsequent cases (B), (C), and (D) describe IKEA's creative response to the challenges described in case (A), report about new challenges with alleged corruption within IKEA and in the legal environment, and finally raise the question of whether IKEA can be considered to have a social responsibility to fight

corruption on a societal level in order to build the platform for its own operation in Russia.

Introduction to Ethics: The Language of Ethics for Managers

Andrew C. Wicks; R. Edward Freeman; Jared Harris; Bidhan Parmar; Jenny Mead

Darden School of Business Case #UV7102 (10 pages)

Since ethics is an integral part of management, it is vital for managers to become comfortable with the language of ethics and to understand how it is inextricable from the language of business. Students will examine key theories of ethics and how they apply to management decision making.

Make Way for the Chief Integrity Officer: Beyond Compliance

Enrique Aznar; Antonino Vaccaro

IESE-Insight Magazine Article #IIR150 (9 pages)

Today, corporate compliance is more important than ever. However, compliance officers cannot be expected to carry the whole weight of corporate responsibility on their shoulders. The authors discuss the main compliance challenges faced by managers today. To address those challenges, they propose the creation of a new senior executive profile: the chief integrity officer. This person would support the CEO and the board in shaping the corporate culture, helping to create an organizational environment in which people are happy and proud to work—not just because they are complying with the law, but also because they are making a positive contribution to society.

Religion in the Workplace: A Managerial Outline for Navigating the Law at the Intersection of Business and Religion

Andrew C Wicks; Jenny Mead; Eric Haight

Darden School of Business Technical Note #UV7099 (11 pages)

This technical note provides an overview of religious discrimination law in the U.S. and provides managers with a meaningful understanding of their rights and obligations when an employee's religious beliefs or practices conflict with his or her work responsibilities. The analysis will touch on intentional dis-

crimination and harassment ("I'm firing you because you're Christian/Jewish/other"), types of religious discrimination that are readily identifiable and resolvable. Less obviously, U.S. law requires that employers provide "reasonable accommodation" whenever a religiously neutral business practice interferes with an employee's religious practice; this reasonable accommodation doctrine is more complex and nuanced. Providing reasonable accommodation presents obstacles for managers that are as legalistically dense as they are financially treacherous. This note aims to help managers not only identify blatantly illegal practices but also navigate the gray areas where the law is underdeveloped or inconsistently applied. The law often provides vignettes of what management legally can or cannot do, but neither laws nor the cases interpreting them provide clear answers for managers attempting to handle challenging religious issues that arise in their firms. Finally, while digesting the information provided in this note, managers must remember that this analysis describes legal solutions, not managerial ones.

ECONOMICS

Corporations Will Never Solve Climate Change

Auden Schendler; Naomi Oreskes

Harvard Business Review Web Article #H02JAR (1,270 words)

The whole notion of green business rests on the assumption that corporations want to solve the societal or environmental problems they take on, that they are not lying to us, and that we can trust what they say about their products and practices.

Evive Health and Workplace Influenza Vaccinations

John Beshears

Harvard Business School Case #916044 (3 pages) **TN**

Evive Health is a company that manages communication campaigns on behalf of health insurance plans and large employers. Using big data techniques and insights from behavioral economics, Evive deploys targeted and effective messages that improve individuals' health behaviors. This case follows Prashant Srivastava, Evive's chief operating officer, and Jennifer Lindner, Evive's creative director, as

they design a messaging strategy for promoting influenza vaccination at the free workplace clinics of a large utility company.

Express Scripts: Promoting Prescription Drug Home Delivery (A)

John Beshears; Patrick Rooney; Jenny Sanford

Harvard Business School Case #916026 (4 pages) **TN**
B Case Available

The pharmacy benefit manager (PBM) sector processes prescription drug claims on behalf of companies that offer a prescription drug benefit to their employees. This case follows Bob Nease, chief scientist at Express Scripts, as he considers methods to promote home delivery of prescription drugs by mail—a process proven to lower prescription-fill error rates, increase cost savings, and improve medication adherence.

IFC Asset Management Company: Mobilizing Capital for Development

Ali Gara; William Meehan

Stanford Graduate School of Business Case #F313 (23 pages)

This case explores the International Finance Corporation's (IFC's) creative and effective use of the private equity business model as a tool to mobilize financing for economic development around the world. In its bid to provide more capital for private-sector investment in developing countries, IFC played a key role in the emergence of the private equity industry in these markets through its funds' investments and, later, created its own third-party fund management platform: IFC Asset Management Company (AMC). Through the experience of AMC, the case considers broader issues typically faced by a private equity business in setting its strategy: how can a fund manager decide the optimal size of assets under management? Given its resources and capabilities, what new funds could a firm raise, and what sectors should it target? The case further delves into the working mechanisms of AMC and thereby explains how AMC, as a special type of fund manager, handles different phases of private equity business. Finally, the case considers the key challenges IFC and AMC face today and assesses what the future might hold for each. As the largest global development institution focusing on the private sector, IFC had been an important player

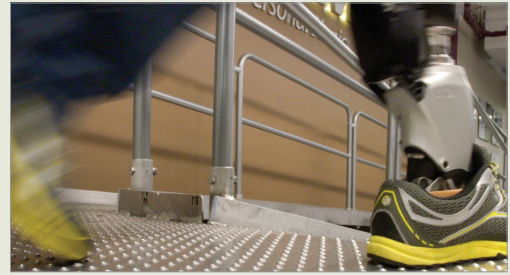
ENTREPRENEURSHIP

NEW MULTIMEDIA CASE

BIONX

William A. Sahlman, Robert White, Ruth Page, and Hunter Ashmore

The BionX multimedia case introduces students to BionX Medical Technologies, a company that creates bionic solutions that restore normalized limb function and improve quality of life for people with amputations or other mobility impairments. Students will gain an appreciation of the hurdles faced when launching a new technology venture, the strategic complexities of multilayered distribution channels, difficulties attaining reimbursement from third-party payers (particularly Medicare), and valuation issues when significant capital is needed and financial performance is inconsistent.



Harvard Business School

Seat time: 90 minutes | #816702 | **TN**

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in developing countries. However, IFC's target markets continue to rapidly evolve and attract more capital and players, both local and international. How could IFC stay relevant and continue to play a differentiated leadership role in emerging markets under these circumstances? What other products and services could it offer to support the private sector in these countries in a distinct and impactful way?

T-Mobile in 2013: The Un-Carrier

John Beshears; Francesca Gino; Jonathan Lee; Sean Yixiang Wang

Harvard Business School Case
#916043 (10 pages) **TN**

By 2013, the U.S. wireless industry was in the midst of a costly transition. As consumers began to embrace more sophisticated mobile devices, the industry's 4 main players spent heavily to improve their infrastructures for providing reliable high-speed data services. T-Mobile, the smallest of the 4 major carriers, lacked the scale of its competitors and risked falling further behind in the contest for market share. Faced with this daunting business environment, T-Mobile's new CEO declared war on the rest of the industry, decrying competitor pricing practices and upending the traditional contract-based business model. This case provides background information on the state of the wireless industry in 2013 and follows T-Mobile's early steps to transform its market position.

Toyota Motor Corp.: Heir Steers Carmaker out of Crisis

Morten Bennesen; Brian Henry; Yupana Wiwattanakantang

Insead Case
#IN1135 (28 pages) **TN**

In 2008-09, Toyota Motor Corp. became engulfed in a perfect storm: oil prices spiked, the global financial crisis brought car loans to a halt, the dollar tanked against the yen, and millions of Toyota vehicles in North America were recalled. Toyota posted its first loss since 1950. The case describes how Akio Toyoda, scion of the dynasty behind the Toyota empire, ascended to the top job in 2009 and turned the struggling carmaker around. It also tells the story of the Toyoda family, whose 8% ownership stake has enabled it to maintain control of one of the world's most successful companies and steer it through one of the most difficult periods in its history.

ENTREPRENEURSHIP

Better World Books and the Triple Bottom Line

Frank T. Rothaermel

McGraw-Hill Case
#MH0034 (25 pages) **TN**

Better World Books (BWB) was founded as a for-profit "B corporation" committed to a triple bottom line of financial, social, and environmental performance. Early success with an

innovative business model leveraging social entrepreneurship allowed BWB to grow revenue to over \$80 million in 2014. BWB now faces challenges in expanding further while sustaining its social-entrepreneurship business model. BWB currently faces such issues as narrow margins, shrinking supply, low brand awareness, and even copycat competitors. Chief Executive Officer Mike Miller must decide how to handle these issues in a way that keeps BWB competitive in the crowded used-book industry and also creates value for all BWB's stakeholders.

Branch Metrics: "Failing" into the Idea

Fern Mandelbaum; Susan Pohlmeier
Stanford Graduate School of Business Case
#E586 (16 pages)

This case explores the Branch Metrics cofounders' early days as a team and their pursuit of a viable idea for their start-up. The 3 original cofounders, who met in business school, transformed their business concept entirely several times before finding the idea for Branch Metrics. Starting with a fitness collar for dogs, then starting over with developing a mobile application for low-cost, high-quality photobooks, and ultimately developing a deep app-linking solution for mobile developers, the cofounders experienced multiple setbacks and product failures in their first 2 years as a team. The case explores the lessons learned through these failures, including how to find product-market fit, stay together as a

team, maintain investor relationships, face burnout, and have difficult conversations.

Dinr: My First Start-Up (A)

Shikhar Ghosh; Kristina Maslauskaitė
Harvard Business School Case
#816080 (24 pages)
B Case Available

In May 2012, a young employee at Google's London office, Markus Berger, was thinking about whether he should quit his job and go after his dream of becoming an entrepreneur. Berger's idea was to create Dinr, a company that would offer an upscale food ingredient delivery service in London. A customer would choose a recipe on Dinr's web site and would receive all premeasured ingredients the same evening at their doorstep. Contrary to many existing similar companies, Dinr would not require a weekly subscription, but would provide one-off orders like other traditional food delivery services. Berger had already carried out an alpha test of the service and completed an in-depth survey of potential customers to explore the market. Most of the feedback was positive, which confirmed Berger's intuition about this market opportunity. Berger had found a more experienced cofounder with technical expertise who was willing to join Dinr part time and gathered £40,000 of initial capital. Yet making the decision to leave his corporate job and become an entrepreneur was not easy: was Dinr a good business opportunity? Would it be attractive to outside investors? What were the risks involved?

The Miswak Company

Melissa Jean; Jonathan Drewnowsky
Ivey Publishing Case
#W16127 (10 pages) **TN**
Instructor and Student Spreadsheets Available

Two undergraduate business students wanted to assess the feasibility of starting a business that would sell an all-natural and completely biodegradable alternative toothbrush—the Miswak. A total of \$50,000 had already been secured for the initial investment; however, the young partners wondered whether this investment would be sufficient to sustain the cash flows of the business for its first 3 years of operations, and if not, how much additional funding would be needed. To discover whether their proposed venture would be feasible, the pair set out to perform a variety of qualitative and quantitative analyses.

Reigniting Growth

Chris Zook; James Allen

Harvard Business Review Article
#R1603F (8 pages)

Most successful new companies eventually face a predictable crisis that the authors call "stall-out"—a sudden large drop in revenue and profit growth or a collapse of once-high shareholder returns to well below the cost of capital. Stall-out occurs when the growth engine that powered companies to success stops working. This rarely happens because the business model has suddenly become obsolete—a common misconception. Rather, research by Zook and Allen shows that the business has almost always become too complex, most often owing to bureaucracy that slows the company's metabolism or to internal dysfunction that distorts information and hampers managers' ability to make rapid decisions and take swift action on them. But stall-out can be overcome. The authors find that most companies that achieve sustainable growth share certain attitudes and behaviors: (1) they view themselves as business insurgents, fighting on behalf of underserved customers; (2) they have an obsession with the front line, where the business meets the customer; and (3) they foster a mindset that includes a deep sense of responsibility for how resources are used and for long-term results. Those qualities can help any company restart its growth engine by removing gunk and complexity that have built up over the years, inhibiting the clean execution of strategy.

Seaside Organics

Howard H. Stevenson; Alisa Zalosh

Harvard Business School Brief Case
#916526 (10 pages) **TN**

This case follows Sara Norton, a soccer player turned serial entrepreneur, as she transforms Seaside Organics from a fledgling start-up into an \$89 million company. Informed by the successes and failures of her first organics venture, WellBar, Norton tries to balance her naturally energetic, hands-on approach with the changing needs of a large company. Students discuss the differences between running a growing start-up and a mature organization, and the tensions that can result between entrepreneurs and the managers tasked with running their organizations. Suitable for use in a variety of MBA and/or executive programs, the case can be used in

entrepreneurial management, general management, and organizational behavior courses.

FINANCE

A Yahoo Breakup Could Be the Start of Lots of Splits

Benjamin Gomes-Casseres

Harvard Business Review Web Article
#H02J9C (855 words)

Now that the M&A wave is ebbing, divestment strategies are gathering steam.

Bidding for Finansbank

David S. Scharfstein; Esel Cekin

Harvard Business School Case
#216040 (31 pages)

In October 2015, because of the deepening Greek crisis, National Bank of Greece (NBG) was required to sell one of its most valuable assets, Finansbank, the eighth-largest Turkish bank. There were 3 potential buyers: Garanti Bank, Turkey's second-largest private bank, which was owned by the Spanish bank BBVA; Qatar National Bank, with a strong footprint in the Middle East; and a private equity consortium led by Finansbank's previous owner and founder, Husnu Ozyegin. Each of these potential buyers had different motivations for the purchase. NBG's motivations were to obtain the highest price and to close the deal as quickly as possible. The identity of the winning bidder would be critically important to the future of Finansbank and its employees. Who is likely to win the bidding, and will the winner be best for Finansbank's future?

Brick by Brick

Sid Yog

Harvard Business School Case
#216058 (13 pages)

Hailey Song walked out of the 88th-floor boardroom and paused before making her way toward the elevator. For the first time in 3 months as head of real estate at New Asia Wealth Fund, she had a clear view of the burgeoning city. The chaos of her daily commute to the office and the noise of 24-hour construction sites that kept her awake at night had made her question her decision to leave Boston. Now, looking out over the newly constructed highways, airports, and industrial zones, she could finally appreciate the order in

the city's 10-year urban development plan. She only wished the same could be said of the real estate fund.

Finance Reading: Time Value of Money

Timothy A. Luehrman

Harvard Business School *Core Curriculum* Reading

#8299 (46 pages) **TN**

Supplemental Slides Available

Core Curriculum Readings in Finance provide students with the fundamental concepts of finance that are relevant to both financial and nonfinancial managers. Readings include interactive illustrations that enable students to master concepts through hands-on illustration of key concepts. This Reading introduces the concept of the time value of money: the idea that money has earning potential, so the timing of a payment matters.

Hon Hai's Investment in Sharp

Mihir A. Desai; Keith Chi-ho Wong; Zachary Markovich

Harvard Business School Case

#216035 (16 pages) **TN**

In March 2012, Hon Hai Precision Industry Company, Ltd. (Hon Hai), announced its investment in Sharp Corporation (Sharp). The deal was structured in 2 parts: the first had Hon Hai investing in Sharp, and the second involved Hon Hai founder, chairman, and CEO Terry Guo personally purchasing a stake in Sharp's unprofitable Sakai manufacturing

plant. This case explores the dynamics of the deal and specifically focuses on valuation of the investment in the Sakai plant as well as the structure of the deal. It presents a vehicle through which to consider net present value (NPV) calculations and corporate deal structuring.

Nextel Peru: Emerging Market Cost of Capital

Luis M. Viceira; Joel L. Heilprin

Harvard Business School Brief Case

#916516 (11 pages) **TN**

Student and Instructor Spreadsheets Available

NII Holdings, Inc., is a U.S. firm with headquarters in Reston, Virginia, and wireless telephony operations under the Nextel brand in Argentina, Brazil, Chile, Mexico, and Peru. During 2012, as the firm struggled with a weak competitive position and a transition to a new 3G platform, its operating results suffered, and a number of analysts were concerned about the firm's liquidity. Against this backdrop, NII decides to refocus its operations on Mexico and Brazil. In April 2013, the company enters into an agreement to sell Nextel Peru to Empresa Nacional de Telecomunicaciones S.A. (Entel) for between \$397 million and \$415 million. Through the use of Andean Capital Advisors and its first-year associate Rafael d'Anconia, the case is meant to demonstrate concepts surrounding the derivation of the cost of capital in international settings. The case was designed for use in first-year MBA courses, but it can also be adopted for courses focusing on international finance.

GENERAL MANAGEMENT

Apple and Its Suppliers: Corporate Social Responsibility

Sun Hye Lee; Michael Mol; Kamel Mellahlilvey

Ivey Publishing Case

#W16147 (10 pages) **TN**

In a 2014 documentary, the multinational technology company Apple Inc. was implicated in alleged human rights violations at Pegatron, a large Chinese supplier that assembled Apple's iPhones. The allegations followed similar, well-publicized violations in 2009 at another China-based Apple supplier. Although Apple had promised to improve its practices, doing so had clearly proven to be a difficult task. How should Apple respond to these new allegations? Should it evade the accusations and instead point to its existing efforts?

Can You Cut "Turn Times" without Adding Staff?

Ethan S. Bernstein; Ryan W. Buell; Atilla Korkmazoglu; Vikram Oberoi

Harvard Business Review Case Discussion

#R1604K (6 pages)

The president of RSA Ground, the subsidiary of Rising Sun Airlines responsible for servicing its planes at airports across Japan, goes undercover as a service crew member to discover how and whether his employees can speed up cleaning, checking, restocking, and refueling. Expert commentary comes from Atilla Korkmazoglu, president of ground

GENERAL MANAGEMENT

NEW BOOK FOR ACADEMIC USE

Good Charts

The HBR Guide to Making Smarter, More Persuasive Data Visualizations

Scott Berinato

A good visualization can communicate the nature and potential impact of information and ideas more powerfully than any other form of communication. This book provides a guide to how visualization works and how to use this new language to impress and persuade. By tapping into both well-established and cutting-edge research in visual perception and neuroscience, as well as the emerging field of visualization science, this book explores why good charts (and bad ones) create "feelings behind our eyes."



Harvard Business Review Press | #15005

Length: 264 pages | \$27.00

Available as an eBook—
50% off in digital coursepacks.

handling and cargo operations at Celebi Aviation Holding, and Vikram Oberoi, managing director and CEO of EIH Ltd. This *HBR* case study includes both the case and the commentary.

Collaborative Overload

Rob Cross; Reb Rebele;
Adam M. Grant

Harvard Business Review Article
#R1601E (7 pages)

Collaboration is taking over the workplace. According to data collected by the authors over the past 2 decades, the time spent by managers and employees in collaborative activities has ballooned by 50% or more. There is much to applaud about these developments—but when consumption of a valuable resource spikes that dramatically, it should also give us pause. At many companies, people spend around 80% of their time in meetings or answering colleagues' requests, leaving little time for all the critical work they must complete on their own. What's more, research the authors have done across more than 300 organizations shows that the apportionment of collaborative work is often extremely lopsided. In most cases, 20% to 35% of value-added collaborations come from only 3% to 5% of employees. The avalanche of demands for input or advice, access to resources, or sometimes just presence in a meeting causes performance to suffer. Employees take assignments home, and soon burnout and turnover become real risks. Leaders must start to manage collaboration more effectively in 2 ways: (1) by mapping the

supply and demand in their organizations and redistributing the work more evenly among employees, and (2) by incentivizing people to collaborate more efficiently.

Convene: Getting Ready for Growth

Susan Fleming; Matthew Legge

Ivey Publishing Case
#W16033 (12 pages) **TN**

In 2009, 2 young entrepreneurs created Convene, a New York-based company with an innovative business model that catered to an underserved segment of the local meetings industry. They were in the unique position of having no real direct competitors and a tight grip on a niche market within a \$15 billion industry. However, to achieve their growth ambitions for the company, the duo had to deftly navigate the changing competitive landscape, identifying which players could become real competitors and which could be co-opted into becoming partners and clients. They also needed to adapt their business model to capture these opportunities. Over time, their expensive expansion standards and operating costs began to present a nagging concern: with only so much capital available each year, just how quickly could Convene really grow? Would the capital intensiveness of their current model stymie the rapid growth that they so desperately wanted (and needed) to achieve in order to establish a nationally recognized brand?

Find Innovation Where You Least Expect It

Tony McCaffrey; Jim Pearson

Harvard Business Review Article
#R1512F (9 pages)

When the *Titanic* collided with an iceberg and sank, only 705 of its 2,200 passengers and crew, floating in 16 lifeboats, were saved. Imagine how many more might have lived if crew members had thought of the iceberg as not just the cause of the disaster but a lifesaving solution. The iceberg rose high above the water and stretched nearly 400 feet in length. The lifeboats, or the *Titanic* itself, might have been able to pull close enough to the iceberg for people to scramble on. Regardless of whether this could actually have worked, it's an intriguing idea—yet surprisingly difficult to envision. That's because a cognitive bias called "functional fixedness" limits people to seeing objects only in the way in which they're traditionally used. In a nautical context, an iceberg is a hazard to be avoided; it's very hard to see it any other way. When it comes to innovation, businesses are constantly hampered by functional fixedness and other cognitive biases that cause people to overlook elegant solutions hidden in plain sight. We can overcome this bias—and similar biases about an object's design and purpose—by changing how we describe the object and how we think about its component parts. This article also presents techniques and tools to help managers think in innovative ways—a process the authors call "brainstorming"—about common business

GENERAL MANAGEMENT

NEW BOOK FOR ACADEMIC USE

HBR's 10 Must Reads On Managing Across Cultures

Harvard Business Review Press

This collection of 10 handpicked *Harvard Business Review* articles highlights how effective leaders manage culturally diverse employees when either their team is dispersed around the world or they're working with a multicultural team in a single location. Students will see how to develop cultural intelligence, overcome conflict on a team where cultural norms differ, adopt a common language for more efficient communication, use the diverse perspectives of employees to find new business opportunities, and take varying cultural practices into account when resolving ethical issues.

Harvard Business Review Press | #15030
Length: 224 Pages | US \$35.00



Available as an eBook—
50% off in digital coursepacks.

problems, whether in conceiving new products, finding novel applications for existing products, or anticipating competitive threats.

Google Glass: Development, Marketing, and User Acceptance

Thompson S.H. Teo; Kian Teck Chua; Zhiyi Yong; Timothy Dao Sheng Lim; Jonathan Jun Jie Boon

Ivey Publishing Case
#W15592 (8 pages) **TN**

This case introduces the key features of Google's Glass and illustrates the tensions that Google faced over the development and marketing of this wearable technology product. The case goes on to highlight the growing backlash that Google experienced when promoting Glass.

Greening Walmart: Progress and Controversy

Rebecca M. Henderson; James Weber

Harvard Business School Case
#316042 (28 pages)

In 2005, Walmart, the world's largest retailer, launched a sustainability initiative aimed at reducing waste and making the company more environmentally and socially conscious. By 2015, the company had made progress in multiple dimensions: energy efficiency in its stores and its supply chain, lower levels of greenhouse gas emissions, safer products for customers and manufacturers, and better treatment of its workers. The company promoted the idea that its size gave it significant influence in the economy and that if it took steps to operate more sustainably, and demanded its suppliers do the same, this would have an impact on its own bottom line and make the world a better place for everyone. Students can explore whether Walmart is making these changes to improve its battered public image, to improve its bottom line, or because it is the right thing to do.

How to Preempt Team Conflict

Ginka Toegel; Jean-Louis Barsoux

Harvard Business Review Article
#R1606F (7 pages)

Team conflict can add value or destroy it. Good conflict fosters respectful debate and yields mutually agreed-upon solutions that are often far superior to those first offered. Bad conflict occurs when team members simply can't get

past their differences, killing productivity and stifling innovation. Destructive conflict typically stems not from differences of opinion but from a perceived incompatibility between the ways certain team members think and act. The conventional approach to working through such conflict is to respond to clashes as they arise. But this approach routinely fails because it allows frustrations to build for too long, making it difficult to reset negative impressions and restore trust. In their research on team dynamics and experience working with executive teams, Toegel and Barsoux have found a proactive approach to be much more effective. In this article, they introduce a methodology that focuses on how people look, act, speak, think, and feel. Team leaders facilitate 5 conversations—1 focused on each category—before the team gets under way to build a shared understanding of the process, rather than the content, of work and to lay the foundation for effective collaboration.

Uber in China: Driving in the Gray Zone

William C. Kirby; Joycelyn W. Eby; Shuang Lu; Adam Mitchell

Harvard Business School Case
#316135 (23 pages) **TN**

CEO and founder of Uber Technologies, Travis Kalanick, had made clear to investors and the public that expansion into China was one of his company's major priorities for 2016. Uber had already demonstrated remarkable capacity for rapid, global scaling, and for operating despite its unclear legal status in many markets. But the China market, while offering Uber unprecedented opportunity in terms of customer demand, presented Uber with a host of new challenges, including a murky regulatory framework and a strong, native incumbent, Didi-Kuaidi, that boasted the lion's share of the ride-hailing market. Could Uber overcome these obstacles and thrive in the China market?

What to Do for a Struggling Colleague?

John A. Quelch; Carin-Isabel Knoop; Amy Gallo; Barbara Ricci; Ben Huh

Harvard Business Review Case Discussion
#R1605X (5 pages)

Carlos, the director of digital strategy for a rapidly growing meal-delivery service, is cosponsoring a critical app redesign project.

His partner, Larry, the head of technology, has been acting erratically and failing to show up for work, leaving the full burden of the project on Carlos and causing worry among his colleagues regarding his mental health. Larry denies there's any problem. Should Carlos talk to the CEO? To HR? This HBR case study includes both the case and expert commentary from Barbara Ricci, president of the board of the NYC Metro affiliate of the National Alliance on Mental Illness, and Ben Huh, founder and former CEO of the Cheezburger Network.

Whither the Weather (Company): Forecasting 2016

Rosabeth Moss Kanter; Jonathan Cohen

Harvard Business School Case
#316143 (20 pages) **TN**

CEO David Kenny led the transformation of the Weather Company from a television business to a big data technology company from 2012 until 2016, when IBM acquired its digital assets. This case discusses major decisions taken by Kenny starting in 2014 as he sought to reorient the company amid changes in media, digital, and mobile technologies. Kenny balances promoting new stream digital business growth with managing difficult legacy television industry realities. He faces key strategic decisions about whether to integrate businesses or separate them completely; whether to pursue business partners, and if so, what those partners should look like; and whether IBM, a large, established technology company, is the right partner for the Weather Company. Finally, how would the Weather Company's fast-moving, innovative culture fit in at giant IBM?

HUMAN RESOURCE MANAGEMENT

Coley Andrews

H. Irving Grousbeck; Sara Rosenthal
Stanford Graduate School of Business Case
#E567 (4 pages) **TN**

In 2009, when he cofounded search fund investment firm Pacific Lake Partners, Coley Andrews could never have anticipated that he would spend as much time managing people as he would the firm's investment strategy. In the 6 years since its launch, Pacific Lake had grown its portfolio to include 30 operating

companies plus 30 active search funds, and Andrews interacted regularly with many of the CEOs, either as a board member or as an informal advisor. Though several of Pacific Lake's transactions involved complex financial structures, Andrews had learned that few issues were more difficult than some of the interpersonal challenges that confronted him from time to time. In the first vignette, Andrews learns that a searcher with whom Pacific Lake has made a soft commitment to invest has falsified part of his resume. Andrews and his partner, Jim Southern, decide to withdraw their commitment from the searcher and send a letter out notifying the investor group of the news. Andrews must prepare for how to respond to what will inevitably be an onslaught of calls. In the second vignette, Andrews learns that a fellow board member has withheld knowledge about serious indiscretions committed by the CEO, including sexual harassment and relations with a female employee. Andrews must decide how best to confront his board member with this disturbing news.

Designing a Bias-Free Organization

Iris Bohnet; Gardiner Morse

Harvard Business Review Article
#R1607D (7 pages)

Most diversity training programs are a waste of money, say Iris Bohnet and Gardiner Morse. Companies often conduct programs without ever measuring their impact. And unfortunately, research on their effectiveness shows they seldom change attitudes, let alone behavior. The solution? Focus on processes, not people. Behavioral science tells us that it's very hard to eliminate our biases, but we can redesign organizations to circumvent them. Behavioral design makes it easier to do the unbiased thing by either preventing biased choices or changing people's beliefs. Companies can start by collecting data on their current diversity training. Then they must bring the same rigor to people management that they apply to financial and marketing decisions. This means defining the desired change, implementing new programs, collecting hard data, and evaluating the results. Even simple changes can be effective. For example, hiring managers can use software that allows them to strip age, gender, socioeconomic background, and similar information out of resumes so that they focus only on talent. Bias affects everyone, despite efforts at awareness and the best of

intentions. The good news, say the authors, is that behavioral design can break the link between our gut reactions and our actions and allow our biased minds to get things right.

Healthy Employees, Healthy Workplace

Ilona Bray

Rotman Management Magazine Article
#ROT288 (5 pages)

The author describes how forward-looking employers are developing new initiatives that promote employee health and well-being—everything from on-site health screenings to exercise equipment and meditation classes. The results: fewer absences, higher productivity, and greater worker retention. After describing the importance of deciding whom your program is for and which health issues to address, she provides a 6-ingredient recipe for leaders to design and implement a program that suits their organizational culture. In the end, she shows that you don't have to turn all your employees into super-athletes addicted to blueberry smoothies for your investment to pay off: even a small reduction in workforce health risks will enable you to reap the rewards of a healthier workforce.

How to Pay for Health Care

Michael E. Porter; Robert S. Kaplan

Harvard Business Review Article
#R1607G (13 pages)

The U.S. stands at a crossroads in how to pay for health care. Fee for service, the dominant payment model in the U.S. and many other countries, is now widely recognized as perhaps the single biggest obstacle to improving health care delivery. A battle is currently raging, outside the public eye, between the advocates of 2 radically different payment approaches: capitation and bundled payments. The stakes are high, and the outcome will define the shape of the health care system for many years to come, for better or for worse. In this article, the authors argue that although capitation may deliver modest savings in the short run, it brings significant risks and will fail to fundamentally change the trajectory of a broken system. The bundled payment model, in contrast, triggers competition between providers to create value where it matters—at the individual patient level—and puts health care on the right path. The authors provide robust proof-of-concept examples of bundled payment

initiatives in the U.S. and abroad, address the challenges of transitioning to bundled payments, and respond to critics' concerns about obstacles to implementation.

Making Exit Interviews Count

Everett Spain; Boris Groysberg

Harvard Business Review Article
#R1604G (9 pages)

In the knowledge economy, skilled employees are the assets that drive organizational success. Thus, companies must learn from them—why they stay, why they leave, and how the organization needs to change. A thoughtful exit interview—whether a face-to-face conversation, a questionnaire, a survey, or a combination of these—can catalyze leaders' listening skills, reveal what does or doesn't work inside the organization, highlight hidden challenges and opportunities, and generate essential competitive intelligence. It can promote engagement and enhance retention by signaling to employees that their views matter. And it can turn departing employees into corporate ambassadors for years to come. Unfortunately, too few leaders pay attention to this tool; their programs fail to either improve retention or produce useful information. The authors believe this is owing to poor data quality and a lack of consensus on best practices. They suggest 6 overall goals for a strategic exit interview process and describe tactics and techniques to make it successful. Among their recommendations: have interviews conducted by second- or third-line managers. Make exit interviews mandatory for at least some employees. And because standard interviews enable you to spot trends but unstructured ones elicit unexpected insights, consider combining the 2 approaches in semistructured interviews.

SAP SE: Autism at Work

Gary P. Pisano; Robert D. Austin

Harvard Business School Case
#616042 (21 pages)

This case describes SAP's "Autism at Work" program, which integrates people with autism into the company's workforce. The company has a stated objective of making 1% of its workforce people with autism by 2020. SAP's rationale for the program is based on the belief that neurodiversity contributes to the company's overall innovative capabilities ("We believe that innovation comes from the edges.") Thus, the program is not viewed as a subsidized

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Business Law Curriculum Map

This new curriculum map recommends items ideal for teaching common topics in Business Law courses. Suggestions include cases and articles, many with Teaching Notes.

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corporate social responsibility activity but as a positive net benefit activity, as well as a way of addressing skills shortages by tapping into nontraditional pools of (considerable) talent. The case explores how SAP is also using the program to rethink and reengineer its human resource management policies and processes to make them more inclusive and effective.

INFORMATION TECHNOLOGY

Apple vs. the FBI Is Really, Really Complicated

Scott Berinato

Harvard Business Review Web Article
#H0200C (2,080 words)

Apple's Tim Cook appears to be mad as hell. His open letter to customers—in which he scoffed at a court order that would compel Apple (under a 227-year-old law) to write code to help unlock a phone that's part of a terrorist investigation—put the Internet's hot-take machine into overdrive. Depending on the take, either the government wants to set a precedent that would allow it to get master keys to all our devices, or Apple supports terrorists because it won't help a government investigation.

The Reason Twitter's Losing Active Users

Umair Haque

Harvard Business Review Web Article
#H0207D (959 words)

What happened to Twitter? Once, it was glorified as a digital town square, where thinkers

and activists could come together to discuss and organize. Yet Twitter recently admitted that its growth had stalled—and its stock quickly followed suit. Twitter and its analysts appear to believe that the slump is due to competition—and so it's adding new features, buttons, and functions as fast as it can. But none of these have captured users' imaginations, much less their interest.

The Soft Skills of Great Digital Organizations

Alexandra Samuel

Harvard Business Review Web Article
#H02NDJ (953 words)

Smart organizations have recognized that introducing new technology into the workplace isn't about hardware or software; it's about wetware, also known as human beings. If you want to have the kind of nimble business that can make the most of successive waves of tech innovations, you need human beings who can adapt to change.

Uncovering the Message from the Mess of Big Data

Neil Bendle; Xin Wang

Business Horizons Article
#BH722 (10 pages)

User-generated content, such as online product reviews, is a valuable source of consumer insight. Such unstructured big data is generated in real time, is easily accessed, and contains messages consumers want managers to hear. Analyzing such data has the potential to revolutionize market research and competitive analysis, but how can the messages

be extracted? How can the vast amount of data be condensed into insights to help steer businesses' strategy? The authors describe a nonproprietary technique that can be applied by anyone with statistical training. Latent Dirichlet Allocation (LDA) can analyze huge amounts of text and describe the content as focusing on unseen attributes in a specific weighting. For example, a review of a graphic novel might be analyzed to focus 70% on the story line and 30% on the graphics. Aggregating the content from numerous consumers allows us to understand what is, collectively, on consumers' minds, and from this we can infer what consumers care about. We can even highlight which attributes are seen positively or negatively. The value of this technique extends well beyond the CMO's office, as LDA can map the relative strategic positions of competitors where they matter most: in the minds of consumers.

Using Big Data to Make Wiser Medical Decisions

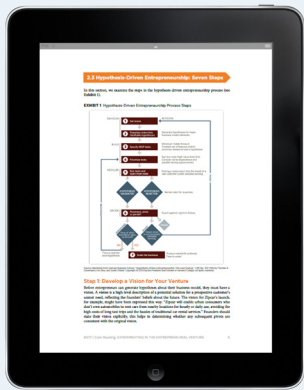
John D. Halamka, M.D.

Harvard Business Review Web Article
#H02JOL (1,214 words)

The "bigness" of data is not its absolute size but the task of transforming it into wisdom. A hospital's CIO shares what his hospital is learning and discusses 3 big data applications that required both technical expertise and leadership: patient-generated health data, precision medicine, and wise analysis.

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INTERNATIONAL BUSINESS

Developing New Products in Emerging Markets

Srivardhini K. Jha; Ishwardutt Parulkar; Rishikesh Krishna; Charles Dhanaraj

MIT Sloan Management Review Article
#SMR553 (10 pages)

For more than a decade, multinational enterprises from developed countries have

moved a substantial part of their research and development activity to emerging markets such as India and China. The location of R&D in developing countries was initially driven largely by the availability of skilled personnel at low cost. At first, these R&D centers in emerging markets operated primarily as extended arms of R&D in the home country, executing well-defined projects under close supervision by headquarters. However, the dynamics of multinationals' R&D centers are rapidly changing. Emerging markets are new growth drivers of the global economy, and their unique bundle of opportunities and challenges can be a wellspring of innovation for a multinational company. Simultaneously, many R&D centers in emerging markets have evolved to accumulate advanced technical capabilities, leading their employees to clamor for higher-value-added work and to seek responsibility for a complete product or technology. Given these trends, R&D subsidiaries in emerging markets are uniquely positioned to play an important role in multinational companies' innovation strategy. However, this thinking is often at odds with the dominant innovation mindset, structures, and processes within multinational companies based in developed countries. This article advances a framework that can be used by managers in multinational companies to support the key decisions on innovating for emerging markets. The framework is based on learnings gleaned from the successful development of the ASR 901 aggregation services routers, a product family that was conceptualized and developed by Cisco's India R&D center for emerging-market customers but was also adopted by global customers. The authors argue that managers in emerging-country R&D outfits need to consider 3 key factors before they embark on innovation for local and similar markets: the technological capability of the R&D unit, the size and uniqueness of the market opportunity, and the presence of executive champions both at headquarters and at the subsidiary.

Nestlé S.A.: Nescafé Plan in China

Robert Klassen;
Ramasastry Chandrasekhar

Ivey Publishing Case
#W15636 (18 pages) **TN**

Nestlé S.A., in an effort to integrate sustainability into its business model, has recently established the Nescafé Plan. This multifaceted plan is based on creating shared value. It emphasizes sustainability as a source of com-

petitive advantage and wealth creation rather than as a cost to be incurred to minimize risks and protect the company's reputation. Nestlé's manager of creating shared value in the beverages strategic business unit faces 2 core dilemmas in executing this plan in China. In the short term, should Nestlé purchase green coffee beans that are socially or environmentally certified (i.e., fair trade), or should it instead expand its efforts to work directly with farmers to develop better farming practices? In the longer term, would a backward integration into coffee farming provide a better means of ensuring that sustainability is embedded in the business model?

The Rise and Fall of Petrobras

Andrew C. Inkpen

Thunderbird School of Global Management
Case
#TBO433 (12 pages) **TN**

From humble beginnings, *Petróleo Brasileiro S.A. (Petrobras)* became one of the largest integrated oil and gas companies, gaining a reputation for sound leadership and strong technical expertise. By the mid-2000's the company was often cited as one of the best-managed national oil companies. By 2016, Petrobras was in a very different position. The company was embroiled in a multibillion-dollar corruption scandal and was one of the most indebted companies in the world. The decade-long corruption scheme reached the highest levels of business and Brazilian politics—Brazil's president, Dilma Rousseff, was the chairwoman of the Petrobras board from 2003 to 2010. Several senior Petrobras executives and Brazilian politicians had been arrested on allegations of bid rigging and bribery, and more arrests were likely. Petrobras, already forced to write down the value of its assets by \$14.9 billion in 2015, now faced a \$2.1 billion price tag for the scandal. Capital investments would be reduced significantly over the next 5 years in order to reduce debt and help recover investor confidence.

The U.S.-China Wind Power Dispute

Roy C. Nelson

Thunderbird School of Global Management
Case
#TBO437 (4 pages) **TN**

In 2010, China's rapid development of wind energy, and specifically its policies to promote wind turbine manufacturing, had resulted in significant loss of market share in the wind

turbine market in China for U.S. and other foreign manufacturers. Although China was clearly violating World Trade Organization (WTO) rules with its trade policies, U.S. and other firms were reluctant to bring a dispute to the WTO for fear of retaliation on the part of the Chinese government in the form of loss of access to the Chinese market. As a result, the United Steel Workers of America trade union brought the dispute to the WTO. Because the trade violations were so clear, China backed down even before the dispute could get out of the first “consultations” phase of the WTO dispute settlement process.

Walton: Building a Global Brand through Internationalization

Mohammad B. Rana; Mohammad Tarikul Islam; Nikhilesh Dholakia

Ivey Publishing Case
#W16054 (15 pages) **TN**

By 2014, the Walton Group, an electrical goods manufacturer based in Bangladesh, sold its products in over 20 different countries. A decision to utilize the advantages of low labor costs in the company’s home country was made in the early 2000s, which led to an increase in value and permitted rapid international expansion. To achieve Walton’s mission of “Walton at every home,” the company established various specialized support units both inside and outside Bangladesh. Government tax incentives in Bangladesh had boosted Walton’s cost competitiveness, but how else could Walton compete with other international brands to achieve its goals and become a household name worldwide?

What to Know about Doing Business in Iran

Matthew Spivack

Harvard Business Review Web Article
#H02VCJ (1,361 words)

Foreign companies, foreign governments, and Iranians expected to see improvements in Iran’s investment climate after implementing a nuclear deal and sanctions relief in the country during 2015. But after perusing current news headlines about Iran, one might wonder whether the market’s potential was overstated.

MARKETING

Advertising Experiments at RestaurantGrades

Michael Luca; Weijia Dai; Hyunjin Kim

Harvard Business School Exercise
#916038 (2 pages) **TN**
Student Spreadsheet Supplement Available

This exercise provides students with a data set consisting of results from a hypothetical experiment, and asks students to make recommendations based on the data. Through this process, the exercise teaches students to analyze, design, and interpret experiments. The context is an experiment in a hypothetical restaurant review company called RestaurantGrades (RG), whose main source of revenue comes from advertising. Like Yelp and TripAdvisor, RG advertisements are shown above the organic search results when someone searches on the page. RG is trying to understand whether its current advertising package is effective in practice. To do this, RG has run an experiment with 2 treatment arms and a control group of restaurants. The control group has no advertising; the first treatment arm consists of giving restaurants RG’s current advertising package, and the second treatment arm is an alternative package that RG designed with a different approach to consumer targeting. Students are given the data to analyze and asked to make a recommendation about which, if either, advertising package is effective.

Case Flash Forward: Burberry

Harvard Business School Baker Library
#8580 (3 pages)

Each Case Flash Forward provides educators and students with a brief update of key changes at a particular company covered in a related case study. It is a compilation of publicly available content prepared by an experienced editor. This Case Flash Forward provides an update on Burberry, including significant developments, current executives, key readings, and basic financials.

Chilli Beans: Peace, Love, and Sunglasses

Jose B. Alvarez; Robert Mackalski; Andrew Otazo

Harvard Business School Case
#516020 (38 pages)

This case illustrates how Chilli Beans became the most popular sunglasses retailer in Brazil and the issues it faced when expanding into the U.S. Students learn how Chilli Beans’ leadership, culture, business model, and supply chain helped it become the most popular sunglasses retailer in Latin America.

Customer Analytics at Flipkart.com

Naveen Bhansali; Jitendra Rudravaram; Shailaja Grover; Dinesh Kumar Unnikrishnan

Indian Institute of Management-Bangalore Case
#IMB555 (15 pages) **TN**
Student Spreadsheet Supplement Available

Flipkart, the poster child of Indian e-commerce, was an early entrant in the nascent Indian e-commerce market and quickly established itself as the leading company in this space. Flipkart has grown into an online retail giant, valued at over \$15.2 billion as of 2015. Flipkart, which has been selling over 30 million products from more than 50,000 sellers in 70-plus categories, has 30 exclusive brand associations, with an in-a-day guarantee in 50 cities and a same-day guarantee in 13 cities. Flipkart was 33,000 people strong and had over 50 million registered users with over 10 million daily visits and 8 million shipments per month. Flipkart has been putting in much effort and emphasis on the use of analytics in every aspect of decision making. Headed by Ravi Vijayaraghavan, the analytics team had over 100 data scientists in 2015. Customer churn is a major concern for Flipkart since it has direct impact on customer lifetime value (CLV). CLV is an important measure to differentiate customers, which can further help the organization manage them effectively. The main challenge in calculating the lifetime value of customers of e-commerce companies such as Flipkart is that the exact life of the customer is unknown owing to data truncation—that is, the actual point in time of customer churn, which may not be identified in e-commerce since there would be no prior communication from the customer about the churn. Hence, traditional models of CLV calculation may not

be appropriate for e-commerce companies such as Flipkart.

Cyberdyne: A Leap to the Future

Doug J. Chung; Mayuka Yamazaki

Harvard Business School Case
#516072 (14 pages) **TN**

A decade ago, Yoshiyuki Sankai founded Cyberdyne, Inc., to develop a commercial version of a robotic suit that would allow humans to use robotic technology to assist them in their everyday lives. It sounded like something from a science fiction novel, but the use of this technology was becoming a reality. Sankai believed that the technology had huge potential, especially in the medical domain. It was May 2016, and he was thinking about how Cyberdyne could market its robotic suit in the U.S., by far the largest medical device market in the world.

Marketing Reading: Marketing Communications

Jill Avery; Thales S. Teixeira

Harvard Business School *Core Curriculum*
Reading

#8186 (45 pages) **TN**
Exhibit Slides Available
Test Bank Available

This Reading begins with an overview of marketing communications strategy and then presents a framework for designing strategies to optimize consumer engagement. This

framework offers managers 3 broad phases for developing a marketing communications plan: strategic intent, strategic execution, and strategic impact. Crafting such a plan ensures that coordinated and complementary messages are delivered in an integrated marketing communications plan across all consumer touchpoints. This Reading contains 2 interactive illustrations: “Budgeting for Marketing Communications,” which illustrates the objective-and-task budgeting method with a hierarchy of effects perspective, and “Viral Effect of Marketing,” which explores the likelihood that a shared YouTube video will “go viral.” The Reading also contains links to 2 video clips, the Taco Bell “Routine Republic” advertisement, a classic example of a conflict-based story, and “Cracking the Code of Super Bowl Ad Effectiveness,” which describes research linking viewers’ brain activity to the emotional connection of effective ads. Please note: this Reading does not cover the complexity of digital marketing. Its influence on marketing communications is covered in greater depth in Core Reading: Digital Marketing (HBP No. 8224), which is a recommended pairing (assignment) with this Reading.

Sentient Jet: The Uber of Private Jets

Anat Keinan; Sandrine Crener

Harvard Business School Case
#516066 (27 pages)

Founded in 1999 in the Boston area, Sentient Jet had become a leading private aviation com-

pany in the U.S. Its success was built on the introduction of a groundbreaking membership program that offered business travelers the flexibility and convenience of flying on private aircraft for their personal and business needs at an outstanding and unparalleled value. Sentient functioned differently and more efficiently than traditional charter companies; it used an open fleet model, renting jets from a pool of certified charter companies. Thanks to its innovative business model and proprietary technology platform, the firm was providing its clients all the benefits of owning a fleet of aircraft with none of the associated costs and commitments. Its fares were typically 20% to 30% lower than those of its competitors. In a nutshell, Sentient Jet had invented the Uber of private jets before Uber even existed. With over 15 years of experience, the company was serving more than 5,000 cardholders, and Andrew Collins, president of Sentient Jet, was considering various strategies to double the company’s size in the next few years.

TiVo Segmentation Analytics

Moran Cerf

Kellogg School of Management Case
#KEL932 (9 pages) **TN**

Instructor and Student Spreadsheet
Supplements Available

ThinkAlike, a fictitious marketing consulting firm, was asked by TiVo to segment the market for its new digital video recorder (DVR) product. Students are asked to analyze realistic

PREPARE STUDENTS FOR CASE LEARNING

The Case Study Handbook

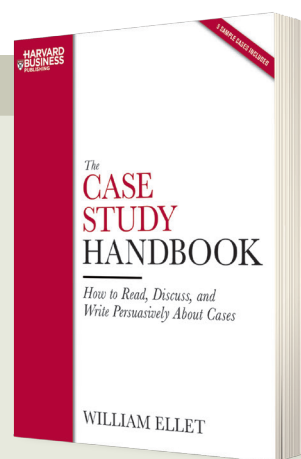
How to Read, Discuss, and Write Persuasively about Cases

William Ellet

This book aims to demystify the challenge of interpreting and analyzing case studies. Early chapters show how to classify cases according to the analytical task they require and quickly establish a base of knowledge about a case. Later chapters show how to write persuasive case-analytical essays based on the process previously laid out. Extensive examples of effective and ineffective writing further reinforce student learning. The book also includes a chapter on how to talk about cases more effectively in class.

Harvard Business Review Press | #1584
Length: 288 pages | US \$27.00

Available as an eBook—50% off in digital coursepacks.



Individual chapters available, including:

What Is a Case? | #2448BC

How to Analyze a Case | #2449BC **Bestseller!**

How to Discuss a Case | #2450BC

How to Write a Case-Based Essay | #2451BC

data and generate segments that will be useful for TiVo's marketing strategy.

Who Is the Better Player? Off-Field Battle on Facebook and Twitter

Maria Teresa Pinheiro de Melo Borges Tiago; Flavio Tiago; Sandra Dias Faria; Joao Pedro Couto

Business Horizons Article
#BH727 (9 pages)

Social media networks have become essential to the modern business world and are especially vital for sports firms and athletes. Social media networks are new channels for firms to connect with their audiences and establish a social customer relationship. For sports firms, athletes play a special role, as they are the firms' ambassadors and the focus of virtual communities of fans. For most athletes, social media is a powerful tool to take advantage of their time in the spotlight. However, social media has much more potential. This work analyzes the social media profile and content created by 6 well-known sports figures—Cristiano Ronaldo, Lionel Messi, Tom Brady, Aaron Rodgers, LeBron James, and Kevin Durant—to develop a model for social media use. The adoption of this model can enhance fan engagement online and therefore increase athletes' and firms' brand value and connectivity with consumers.

NEGOTIATION

HBR Guide to Negotiating

Jeff Weiss

Harvard Business Review Press Books
#15027 (208 pages)

Whether it's discussing the terms of a high-stakes deal, forming a key partnership, asking for a raise, or planning a family event, negotiating can be stressful. One person makes a demand; the other concedes a point. In the end, a settlement is made on a subpar solution in the middle—if they are able to reach an agreement at all. But these discussions don't need to be win-or-lose situations. Written by negotiation expert Jeff Weiss, the *HBR Guide to Negotiating* provides students with a disciplined approach to finding solutions that work for all parties. Using a 7-part framework, this book delivers tips and advice to move from a game of concessions and compromises to one of collaboration and creativity, resulting in

better outcomes and better working relationships.

How to Negotiate with a Liar

Leslie K. John

Harvard Business Review Article
#R1607J (5 pages)

People, including negotiators, lie every day, so when you're trying to make a deal, it's important to defend against deception. The best strategy, says the author, is to focus not on detecting lies but on preventing them. She outlines 5 tactics that research has shown to be effective: (1) Encourage reciprocity. You can build trust and prompt other parties to disclose strategic information by sharing information yourself. (2) Ask the right questions. Negotiators often lie by omission, keeping mum about relevant facts, but if directly asked, they are more likely to respond honestly. (3) Watch for dodging. Don't let your counterparts sidestep your questions—write them down in advance, take notes on the answers, and make sure you get the information you're seeking. (4) Don't dwell on confidentiality. Studies show that the more you reassure others that you'll protect their privacy, the more guarded and apt to lie they become. So be nonchalant when discussing sensitive topics. (5) Cultivate leaks. People often reveal information unwittingly, so listen carefully for any slips and try indirect approaches to gaining information.

Negotiating the Path of Abraham, 2015 Progress and Challenges

James K. Sebenius

Harvard Business School Case
#916027 (13 pages)

The Abraham Path board reviews the past 5 years and seeks to frame and act on its major strategic, negotiating, and operational challenges going forward. The Abraham Path Initiative seeks to revitalize a route of Middle East cultural tourism following Abraham's path 4,000 years ago. It begins in the ancient ruins of Harran, in modern-day Turkey, where Abraham first heard the call to "go forth." It passes through some of the world's most revered cultural, historical, and holy sites, ending in the city of Hebron/AI-Khalil at the tomb of Abraham. With Abraham as a venerated patriarchal figure for Islam, Judaism, and Christianity—monotheistic religions whose adherents have so often clashed—the potential unifying power of this conception has attracted

a remarkable range of supporters from around the world as well as considerable media interest and a major World Bank grant. The walkable part of the path has been lengthened from 300 km 5 years ago to over 2,000 km today, with various parts walked by thousands of people. Several challenges nonetheless remain, including regional war and turmoil, sustainable funding, tensions over the path's activities in Israel, and possible next steps for the initiative.

Three-Way Organization

James K. Sebenius

Harvard Business School Exercise
#916037 (3 pages)

Three divisions seek to form a 2- or 3-way conglomerate of maximum economic value. Individual and shared interests are in conflict. While similar in economic structure, this case—unlike "4-Way Organization" (894-015)—has no "manager" and only a single round, not 2 rounds.

OPERATIONS MANAGEMENT

7 Factors of Great Office Design

Peter Bacevice; Liz Burow; Mat Triebner

Harvard Business Review Web Article
#H02WNM (1,527 words)

Smart companies understand that workspaces are a business tool. An office environment reflects and reinforces a business's core values through the placement of different teams and functions and design elements that reflect culture, brand, and value.

America's Cup in 2013: Oracle Team USA vs. Emirates Team New Zealand (A)

Rory McDonald; Alan MacCormack; Vanessa Ampelas

Harvard Business School Case
#616045 (23 pages)

Four teams across the world are furiously designing, building, testing, and learning to sail a boat that would be one of a kind, in order to win the 2013 America's Cup. Choosing the best development path was a challenge as the teams had less than 3 years to prepare, and each decision would affect the performance of

ORGANIZATIONAL BEHAVIOR SIMULATION: Judgment in a Crisis

Michael A. Roberto, Bryant University

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



Harvard Business School | Single-Player | Seat time: 60 minutes
Debrief Slides Available | #7077 | **TN**

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the boat as well as the duration of the sailors' training. The case traces the dilemma faced by the favorite, Oracle Team USA (OTUSA), as rumors grew that the challenger was pursuing a revolutionary technology that would enable its 6-ton boat to literally fly above waves. With only a year left before the competition, should OTUSA keep refining its current technology, called "skimming," or should it pivot toward "foiling" (flying)? At this stage foiling could be a red herring, and even if it were not, the limits of the performance of a foiling boat would remain a mystery for some time. The case explores the dilemma of managing innovation in an uncertain environment, where the decision would be sanctioned a year later by a win or a loss.

ClearEyes Cataracts Clinic

Roy D. Shapiro; Paul E. Morrison
Harvard Business School Brief Case
#916503 (12 pages) **TN**
Instructor and Student Spreadsheet Supplements Available

Dr. Julia Connors has a busy, successful cataract clinic and wants to expand to meet demand. She is considering 2 alternatives: keeping her physical facility as it is and extending office hours, or renting additional space within her current building. The first appears to be less disruptive to operations but risks alienating her workforce. The second is more disruptive to current operations during

construction and will require more capital investment. This case is designed to be taught in a single class session with students who have practiced process analysis.

Ferrero Group: Securing Supply for Hazelnuts

Tarun Jain; Jishnu Hazra
Indian Institute of Management-Bangalore Case
#IMB565 (17 pages) **TN**

Ferrero Group is a confectionery manufacturing company that produces a line of chocolates and chocolate spreads with hazelnut as the main ingredient. The company is the largest buyer of world hazelnuts (25%). The company procures hazelnuts from Oltan, the world's largest producer of processed hazelnuts, with a market share of 25% to 30%. Ferrero purchases almost 70% of Oltan's hazelnut production. Recently, crop damage reduced the harvest of hazelnut crop, which in turn increased the price of hazelnuts. One customer, Esha, is concerned about hazelnut supply issues and the price increase of Nutella, a chocolate spread with hazelnut as a major ingredient. Esha is considering Ferrero's vertical integration, in which it may decide to purchase large producers such as Oltan. Further, Esha is also evaluating the implication of such a strategy for the final market prices of Nutella.

The Grommet: Managing Operations at a Fast-Paced Start-Up

Sebastian Fixson; Paul Mulligan
Babson College Case
#BAB224 (19 pages) **TN**

The case focuses on a start-up, The Grommet, which views itself as an intermediary between small and independent makers of high-quality products and the sophisticated buyers who value the uniqueness of those products. The Grommet, initially called Daily Grommet but renamed in 2011, was founded to create a more equitable link between product creators and product consumers. The founders trademarked the term Citizen Commerce as the manifestation of this equitable foundation for merchandising. The 2 cofounders, Jules Pieri and Joanne Domeniconi, have been serving as the company's CEO and chief discovery officer, respectively. The company grew steadily but slowly during its first years. The case's main protagonist is Ray Hallare, who finds himself responsible for ordering decisions for the upcoming December holiday selling season. As preparation, students are asked to develop an ordering and inventory strategy for Ray. The discussion in class then commences as an inventory case, and it successively expands to a broader and broader view of the business model itself and the challenges and opportunities that growth creates for this start-up.

Haiti Hope: Innovating the Mango Value Chain

Amy C. Edmondson;
Jean-Francois Harvey

Harvard Business School Case
#616040 (17 pages)

This case study examines a market-based approach to economic development through the eyes of NGO TechnoServe's project manager, implementing a \$9.5 million 5-year public-private partnership between Coca-Cola, IDB, and USAID. The case ends at the beginning of the final year of the project, presents the project's advances, and invites students to position themselves in front of 3 options regarding the exit strategy to be deployed to ensure sustainability.

Honda Canada (A): Tsunami and Communications

Mary Weil; Dina Ribbink; Ramasastry Chandrasekhar

Ivey Publishing Case
#W16152 (11 pages) **TN**
B Case Available

Honda Canada was coping with a communication and supply chain crisis after a triple disaster—an earthquake followed by a tsunami and a nuclear meltdown—that hit Japan in March 2011. Honda's worldwide supply chain was characterized by a just-in-time, single-source approach, wherein the supplier for each component provided the best quality at the lowest price. The approach normally ensured economies of scale, but now, in an abnormal time, Honda's supply chain was vulnerable. In the short term, Honda Canada had to manage the chaos through effective communication with its stakeholders. In the long term, it had to ensure checks and balances in its supply chain. See supplemental case B.

Weathering the Storm at NYU Langone Medical Center

Robert S. Huckman; Rafaella Sadun;
Michael Norris

Harvard Business School Case
#616026 (33 pages)

In the fall of 2012, Hurricane Sandy forced a full evacuation of NYU Langone Medical Center in New York City. The institution, which comprises NYU Medical School and several teaching hospitals, had been on an upward trajectory for several years under the

leadership of Dr. Robert I. Grossman. Grossman's central initiative, which he credited with helping to create a performance-driven, transparency-focused culture, was an information technology dashboard system that provided managers and frontline workers with a wealth of real-time information. Would the disruption posed by the hurricane throw NYU Langone off track?

When Tragedy Strikes the Supply Chain (HBR Case Study and Commentary)

Ram Subramanian; John Manners-Bell;
Adam Kanzer

Harvard Business Review Case Discussion
#R1601K (6 pages)

The CEO of Tots & Teens, an apparel company headquartered in New Jersey, learns at a company party that one of the factories in Bangladesh where T&T's clothing is made has just collapsed in the middle of a workday, killing more than 2,000 workers. She and her COO immediately fly to Dhaka to visit the disaster site and plan their response. Aside from finding a way to support the victims and their families and to tighten up oversight of the company's supply chain, they must decide whether to move production to a factory in China in order to get the fall line out in time. This HBR case study includes both the case and expert commentary from John Manners-Bell, CEO of Transport Intelligence, and Adam K. Kanzer, a managing director of Domini Social Investments. For teaching purposes, this reprint is also available in 2 other versions: case study only, reprint R1601X, and commentary only, R1601Z.

ORGANIZATIONAL BEHAVIOR

Amazon As an Employer

Jyotsna Bhatnagar; Shweta Jaiswal

Ivey Publishing Case
#W16106 (5 pages) **TN**

In 2015, Amazon was the biggest Internet-based retailer in the U.S. and had frequently been featured on lists of the most-admired companies. The *New York Times* published an article that portrayed Amazon as a ruthless employer with brutal human resource management practices and a toxic work atmosphere. Employees were divided in their

opinions; some found the culture invigorating, and others found it hard to survive in. Leaders in the industry came to Amazon's defense, while employees at other organizations began to disclose their own experiences of toxic work environments. Could Amazon continue to grow, thrive, and retain employees if it maintained its current employee management strategy? Did stress foster innovation, and if so, at what point did that stress become destructive?

Culture Is Not the Culprit

Jay W. Lorsch; Emily McTague

Harvard Business Review Article
#R1604H (11 pages)

When organizations get into big trouble, fixing the culture is usually the prescription. That's what most everyone said GM needed to do after its 2014 recall crisis. Cultural reform has likewise been proposed as the solution to the corrosive bureaucracy at the Veterans Administration, unethical behavior in banks, and the excessive use of force by police. But the authors' interviews with successful change makers suggest that culture isn't something you "fix." Rather, cultural change is what you get when you put new processes or structures in place to tackle tough business challenges. Organizations are complex systems with many ripple effects—and reworking fundamental practices will inevitably lead to new values and behaviors. In this article, the authors explain how this played out during 4 major transformations: the remake of Ecolab into a diversified corporation 3 times its original size; the post-bankruptcy merger of Delta and Northwest, the turnaround of Ford, and Novartis's shift to a diversified health care portfolio. Each firm's CEO took a different approach for a different end. Ecolab's Doug Baker pushed decisions down to the front lines to strengthen customer relationships. Delta's Richard Anderson got airline workers on board by focusing on meeting their needs. Ford's Alan Mulally broke down barriers between units to improve collaboration and efficiency. Novartis's Daniel Vasella decentralized to unleash creative energy. But in every case, when the executives used tools such as decision rights, performance measurement, and reward systems to address their particular business challenges, organizational culture evolved as a result, reinforcing the new direction.

Die Mannschaft: How Germany Won the 2014 FIFA World Cup

Boris Groysberg; Sascha L. Schmidt; Arjun Thomke; Kerry Herman; Michael Norris

Harvard Business School Case
#416025 (33 pages)

After years of ups and downs, Germany won its fourth World Cup in 2014. This case examines the national team's recent history and the changes the players and coaches made to set themselves up for success.

Organizational Behavior Reading: Decision Making

Francesca Gino; Max H. Bazerman; Katherine Shonk

Harvard Business School Core Curriculum Reading
#8383 (51 pages) **TN**
Supplemental Slides Available

This Reading argues that decision making is systematically flawed and introduces methods to improve decision-making effectiveness. The Essential Reading section covers the rational decision-making model and 3 important ideas that challenge it: Herbert Simon's concept of bounded rationality, Amos Tversky and Daniel Kahneman's work on heuristics and biases, and Keith Stanovich and Richard West's conceptualization of System 1 and System 2 thinking. The Reading then discusses 7 common biases or heuristics, along with ways to mitigate them, and lists additional common biases to show the broad range of issues that can influence decision making. The authors also describe biases and additional decision-making challenges that are particular to groups. Finally, the Reading draws on Richard Thaler and Cass Sunstein's concept of choice architecture to present a new framework for better decision making.

Organizational Behavior Reading: Developing Your Managerial Career

Linda A. Hill

Harvard Business School Core Curriculum Reading
#8330 (46 pages) **TN**
Supplemental Slides Available

This Reading examines what it takes to build a successful managerial career. The Essential Reading section contends that a managerial role, by its nature, imposes learning needs that

cannot be fully taught in the classroom but must be mastered throughout one's career. It then presents the Developmental Strategies Framework, which focuses on 3 recurring career challenges: (1) choosing the right position, (2) developing managerial skills by learning from stretch assignments and through periodic reflection, and (3) getting help by building a developmental network.

The X-Caliber Project Case (A): Giving and Receiving Feedback—Confidential Instructions for Diane

Horacio Falcao; Kriti Jain; Heather Grover

Insead Case
#IN1129 (3 pages) **TN**
B Case Available

A multi-issue, 1-on-1 internal negotiation between a manager (Sebastian) and his employee (Diane). Diane wants Sebastian's feedback on her recent performance on X-Caliber, as this will have a significant impact on if and when she will be promoted, but it's not all good news.

SALES

Despite Dire Predictions, Salespeople Aren't Going Away

Andris A. Zoltners; P.K. Sinha; Sally E. Lorimer

Harvard Business Review Web Article
#H0254K (807 words)

Forrester Research predicted that 1 million B2B salespeople will become obsolete by 2020, lost to e-commerce. Is this another doomed prediction? Or are things fundamentally different this time? No doubt some companies will have fewer salespeople 4 years from now. But other companies will have more salespeople—and history helps explain why.

Don't Turn Your Sales Team Loose without a Strategy

Frank V. Cespedes; Steve Thompson

Harvard Business Review Web Article
#H02JUD (1,313 words)

When formulating a strategy, businesses must consider the importance of market and segment categories. But a market never buys anything; only customers buy. To borrow

a telecom industry metaphor, a deal with a customer is the "last mile" in connecting any strategy with business development efforts and marketplace results.

Sales Compensation Vignettes

Frank V. Cespedes

Harvard Business School Case
#816092 (10 pages)

This case study comprises 2 vignettes about start-up companies considering whether and how to change their sales compensation plans. ElMenu.com is a restaurant app venture in Egypt seeking to lower customer churn while confronting new competition. BigBelly is a "smart" waste receptacle venture that is changing its business model. The case allows for the comparison and contrast of the roles of sales compensation in different ventures with different sales funnel activities. The case also allows for an overview of all the core components of sales compensation.

Social Media Works for B2B Sales, Too

Mark Kovac

Harvard Business Review Web Article
#H02L21 (717 words)

The chief marketing officer at a major technology provider recently said, "Our customers have gotten way ahead of our sales efforts. Too often, we're not even getting invited to the dance." This tech company's web site, like many others, overflows with information about product features but offers few perspectives about how the products truly solve customers' problems. It's a common issue in B2B markets.

When You Need Sales Specialists, Not Sales Generalists

Mark Kovac

Harvard Business Review Web Article
#H02O21 (641 words)

Companies that compete in business-to-business markets have traditionally relied on generalists sales reps to unearth and close opportunities. Yet as companies expand their range of products or solutions, no generalist can credibly sell every offering. So these companies have to train and hire for specific product, technology, or industry expertise. Adding more industry and domain specialists, however, can add complexity that undermines

the ability to sell efficiently. How do you know whether you have too many or too few specialists, and whether they're deployed on the best opportunities? There are several ways to produce a reliable picture of where it makes sense to add and where to cut back.

SERVICE MANAGEMENT

The Best Luxury Services Are Customized, Not Standardized

Ana Brant

Harvard Business Review Web Article
#H02P18 (1,241 words)

Catering to the individual is what defines luxury; in the luxury segment, it is the critical competitive differentiator. The challenge for any business seeking to deliver a luxury experience is to be knowledgeable enough to go beyond the standard—for example, a hotel knowing to have hair spray available, whether or not it's on a checklist.

Why Facebook Messenger Is a Big Deal for Customer Service

Joshua Gans

Harvard Business Review Web Article
#H02UTS (1,241 words)

For a long time, Facebook Messenger seemed to be secondary to Facebook's core business—a product feature rather than something more. So when Facebook bought WhatsApp for \$19 billion, it seemed like WhatsApp would end up being Facebook's messaging platform of choice. But later, Facebook announced that it was explicitly turning Messenger into a platform that shows media outlets, retailers, and anyone else how to develop bots to chat with users.

SOCIAL ENTERPRISE

A Better Scorecard for Your Company's Sustainability Efforts

Mark W. McElroy; Martin Thomas

Harvard Business Review Web Article
#H02JEF (1,466 words)

To increase business sustainability, what's needed is a structured, context- and capital-based methodology that organizations can use to measure, manage, and report their performance—a scorecard that would be a true

triple-bottom-line measurement and reporting system as well as an open-source innovation, a public good that could be placed in the commons and adapted.

groupelephant.com: Going “Beyond Corporate Purpose”

Flavio Feferman; Matthew Bujnicki; Stacey Chin; Travis Dziubla; Ashley Lohmann

UC Berkeley—Haas School of Business Case
#B5851 (15 pages) **TN**

The groupelephant.com (formerly EPI-USE) case focuses on CEO Jonathan Tager as he grapples with implementing and sustaining his company's recently launched corporate social responsibility (CSR) program, BCP: Beyond Corporate Purpose. Tager is contemplating how to measure and convey the program's expected impact on elephant and rhino poaching as well as on poverty alleviation in South Africa. The case study highlights the importance of well-planned CSR programs and addresses topics such as blended business models, the “theory of change” underlying CSR strategy, and the challenges involved in defining and measuring impact. The case also explores organizational challenges and tensions related to adopting a new CSR strategy, including whether companies have a responsibility to actively engage in advocacy and devote significant resources to social and environmental objectives, or whether such efforts violate the fiduciary responsibility that CEOs have to shareholders.

InVenture: Building Credit Scoring Tools for the Base of the Pyramid

Abby Fifer Mandell; Megan Strawther; James Zhu

Greif Center for Entrepreneurial Studies—USC Marshall Case
#SCG513 (19 pages) **TN**

In 2011, Shivani Siroya founded InVenture, a social enterprise aimed at providing credit scores and accounting tools for individuals in emerging markets who traditionally lacked access to formal financial institutions. In Venture harnessed the power of mobile technology by collecting data points on its users to deliver real-time credit scores that would enable consumers to access more financial, social, and intellectual capital. The case revolves around the consideration of which product architecture and emerging markets InVenture should focus: India or

Kenya. Siroya and her team must determine which products and which market make the most sense in terms of the company's mission and its strategic growth.

Patagonia: Driving Sustainable Innovation by Embracing Tensions

Dara O'Rourke; Robert Strand

UC Berkeley—Haas School of Business Case
#B5853 (31 pages) **TN**

This case study examines the tensions that arise when Patagonia simultaneously pursues sustainability and quality objectives embedded within its mission statement to “build the best product, cause no unnecessary harm, use business to inspire, and implement solutions to the environmental crisis.” Specifically, this case study focuses on Patagonia's durable water repellent (DWR) problem. DWR is a highly effective chemical treatment used to waterproof jackets (supporting the quality objective, but it has by-products that are toxic and that persist in the environment (undermining the sustainability objective). This case presents Patagonia's (and the industry's) challenges; its history trying to resolve the problem, including research; its temporary solution to use a less harmful but less effective option in C6; and its investment in Beyond Surface Technologies through \$20 Million & Change, among others. The case also discusses external issues such as competitors and their efforts, pressure from Greenpeace, governmental involvement, and chemical industry actions. At the higher level, the case focuses on the question of how companies like Patagonia drive innovation down the supply chain to chemical and material suppliers, as well as how they think about innovation/disruption across the entire system, all the while grappling with internal tensions between performance, durability, and their commitment to cause no unnecessary environmental harm.

Rumie: Bringing Digital Education to the Underserved

John J-H Kim; Amram Migdal

Harvard Business School Case
#316140 (27 pages)

In fall of 2015, the Toronto, Canada-based education technology nonprofit Rumie had distributed thousands of computer tablets preloaded with collections of thousands of pieces of curated educational content to nongovernmental organizations (NGOs) in some of

the most impoverished countries around the world that lacked basic educational resources. Founder and executive director Tariq Fancy, with his team, was deciding whether to accept a large new order from an NGO in Pakistan that would require Rumie for the first time to provide ongoing services such as teacher training, performance monitoring, and other support. Some on the team felt that providing a full suite of bundled services would detract from their recent push to decouple Rumie's software and services from the physical tablets to achieve greater reach and scale. In October 2015, Rumie opened the LearnCloud, its proprietary online content curation portal for NGOs, to the public. Now anyone could discover, share, and rate free digital educational content from any source. Fancy considered, "Education access represents a big order and huge growth, but does it lead us into doing things we haven't done before, [that we] may not be good at, and [that] may not be scalable to be used by different partners in different geographies?"

Single Stop USA: Scaling the Model

Kristiana Raube

UC Berkeley—Haas School of Business Case
#B5854 (19 pages) **TN**

The Single Stop USA case focuses on a non-profit organization that supported low-income people and families in building economic security. Through its one-stop-shop model, the organization helped people learn about the financial resources and opportunities already

available to them but oftentimes out of reach. The protagonist is Christy Reeves, interim CEO, and the case focuses on the organization's key challenges, including diversifying its revenue stream beyond the Robin Hood Foundation, as well as on how the organization might scale and reach millions of low-income Americans who failed to access billions of dollars of untapped government resources.

STRATEGY

Etsy: A "B Corp" Start-Up Takes on Amazon

Ram Subramanian

Ivey Publishing Case
#W16251 (15 pages) **TN**

When Etsy proceeded with an initial public offering on the New York Stock Exchange in April 2015, it was the second U.S. company to go public as a certified B Corporation. Etsy's status as a B Corporation meant that social responsibility was ingrained in its mission. However, as an online marketplace for artisanal goods, Etsy faced a number of challenges. Principal among them was the launch of the new online store "Handmade" at Amazon, a direct attack on Etsy. Etsy had a core base of merchants and buyers, but Amazon had significantly more of both as well as a higher level of financial security than Etsy. Etsy's fast growth had also put pressure on its merchants' ability to offer larger quantities of handmade goods. Many merchants were

pressing the company to allow sales from large-scale manufacturing, a path the company had eschewed since its start. Could Etsy find a way to successfully confront these challenges while maintaining its B Corporation ethos?

The Marvel Way: Restoring a Blue Ocean

W. Chan Kim; Michael Olenick;
Renee Mauborgne

Insead Case
#IN1182 (18 pages) **TN**

In 1998, Marvel, the celebrated comic book company founded in 1939, exited a protracted, contested bankruptcy. Cash was so tight that it had trouble making payroll. A decade later, the business was acquired by Disney for \$4.2 billion. The case shows how Marvel pivoted from a red to a blue ocean.

McDonald's Corporation

Marne L. Arthaud-Day;
Frank T. Rothaermel

McGraw-Hill Case
#MH0037 (30 pages) **TN**

Steve Easterbrook becomes CEO of McDonald's in March 2015 after it becomes clear that his predecessor's turnaround strategy is not working. Financially, McDonald's is struggling, with declining sales growth, a 15% decrease in net income, and stock prices below its 2012 price point, while the overall market is on the rise. The company is not benefiting from the economic recovery, as consumer preferences

STRATEGY

NEW BOOK FOR ACADEMIC USE

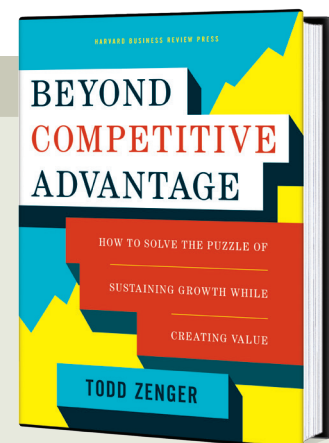
Beyond Competitive Advantage

How to Solve the Puzzle of Sustaining Growth while Creating Value

Todd Zenger, University of Utah

Behind every long-term corporate success is a basic theory about how that company creates value. In *Beyond Competitive Advantage*, author Todd Zenger addresses key topics in corporate strategy, including acquisitions, investments, organizational design, financing, and leadership. But instead of presenting these as an array of à la carte decisions, he uses the concept of corporate theory to elevate the task of sustaining value creation into a more coherent set of choices guided by a synthetic logic.

Harvard Business Review Press | #15030



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(especially among millennials) are shifting toward healthier options for dining out. Meanwhile, competition is fierce, with several direct competitors (e.g., Wendy's), higher-end burger joints (e.g., In-and-Out Burger), and fast casual chains (e.g., Panera) all outperforming the burger giant. Internally, the company is struggling with defining its strategic identity. Menu diversification has increased operational complexity, which has slowed service times. Efforts to attract new customers by adding higher-end items have shifted McDonald's price points upward, while customer perceptions of quality and willingness to pay are at an all-time low. The company's size makes it an easy target for labor activists and health advocates, further compounding its public perception issues. By trying to be all things to all people, McDonald's finds itself in a classic "stuck in the middle" strategic dilemma. Easterbrook must find a way to be a strategic leader who is willing to make tough decisions and transform McDonald's into a "modern, progressive burger company."

Pipelines, Platforms, and the New Rules of Strategy

Marshall W. Van Alstyne; Geoffrey Parker; Sangeet Paul Choudary

Harvard Business Review Article
#R1604C (8 pages)

For decades, the 5-forces model of competition has dominated the thinking about strategy. But it describes competition among traditional "pipeline" businesses, which succeed by optimizing the activities in their value chains—most of which they own or control. "Platform" businesses that bring together consumers and producers, as Uber, Alibaba, and Airbnb do, require a different approach to strategy. The critical asset of a platform is external—the community of members. The focus shifts from controlling resources to orchestrating them, and firms win by facilitating more external interactions and creating "network effects" that increase the value provided to all participants. In this new world, competition can emerge from seemingly unrelated industries and even from within the platform itself. The authors, 3 platform strategists, walk executives through the choices they must make when building platforms, outlining the different metrics needed to manage them. Businesses that fail to learn the new rules will struggle, they argue. When a platform enters the marketplace of a pure pipeline business, the platform nearly

always wins. That's exactly what happened when the iPhone came on the scene in 2007. By 2015, it accounted for 92% of global profits in mobile phones, while most of the giants that once ruled the industry made no profit at all.

Tesla Motors, Inc.

Frank T. Rothaermel

McGraw-Hill Case
#MH0032 (29 pages) **TN**

Tesla Motors, Inc., was founded in 2003 in San Carlos, California, with the mission "to accelerate the advent of sustainable transport by bringing compelling mass-market electric cars to market as soon as possible." By 2015, Tesla has become a public company that faces multiple challenges, including scaling up production, market acceptance, the lack of a clear technology standard, timing and launch of a mass-market vehicle, and increased global competition. Moreover, the competition in the automobile industry is getting more intense as gasoline prices have fallen by 50% in the U.S. CEO Elon Musk must decide how to handle these issues to keep Tesla successful.

UFO Moviez: Gentle Disruption

Hong Luo; Felix Oberholzer-Gee;
Saloni Chaturvedi

Harvard Business School Case
#716447 (21 pages) **TN**

UFO Moviez is an Indian technology services provider that enables low-cost, digital delivery of films to cinemas. UFO's satellite-based technology enables a significantly wider release of films compared with traditional analog prints and standard, higher-resolution digital prints that must be transported physically. By 2015, 54% of all cinemas in India are using UFO's digital cinema system. UFO has achieved this without upsetting the industry's value chain of producer-traditional distributor-cinema owner. The company earns revenue through 3 main streams: fees charged to the producer/distributor for converting films to digital format and distributing them over satellite, fees charged to the cinema owner for leasing the projection systems, and advertising revenue from ads shown during the screening of films. With cinemas in India mostly digitized, however, UFO faces challenges to continual growth. Should UFO focus on increasing its advertising revenue, leveraging its core technology in other areas, or entering the business of film distribution?

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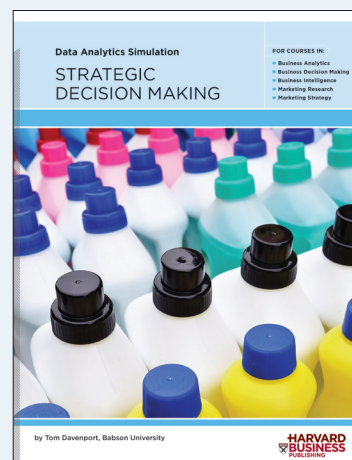
Strategic Decision Making

Tom Davenport

Authored by Tom Davenport, renowned thought leader on big data, this single-player simulation teaches the power of analytics in decision making. Acting as the brand manager for a laundry detergent, students are tasked with turning around the brand's performance by using sophisticated analytical techniques to understand current issues and determine the best strategy for improving performance. **Students are asked to predict market demand, set the channel price, make formulation decisions, determine promotional spending strategy, and communicate their strategy effectively to their managers.**

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