

New Asian Cases (English) – December 2011

9B11M101

3M Taiwan: Product Innovation in the Subsidiary

Christopher Williams; Emily Liaw

On January 17, 2005, the function head in the Health Care Business in 3M Taiwan, found himself in a meeting with the Acne Dressing project team. In 2004, the function head initiated a project team to exploit local market needs for 3M Hydrocolloid Dressing, a technology that existed in the company for many years without any practical applications. The local project team suggested applying the material for acne treatment. The product would be known as Acne Dressing. There was no standardized solution for acne treatment in Taiwan. If developed, Acne Dressing would be a brand new product in the local market. The biggest challenge would be how to change local consumer behaviors on new acne treatment products. In addition, since there were no similar products in the market, the project team only had limited information. The potential sales and volume estimation were all uncertain. If the local development were to be launched, Acne Dressing would be 3M's first product application from Hydrocolloid Dressing technology. With little previous experience in product development and no similar products existing in the market, the function head had to decide fast whether to proceed with this new product development. Should the team carry on with the project? If so, what options did the local project team have? What kind of resources and support should the local Health Care business segment seek from the headquarters for the product development? Should the local product development collaborate with other subsidiaries?

Publication Date: November 03, 2011

Issues: Risky innovations, Project management, Project design/development, Taiwan

Disciplines: General Management/Strategy; International; Entrepreneurship;

Industries: Manufacturing;

Setting: Taiwan, Large, 2005

Intended Audience: Undergraduate/MBA

Length: 15 pages

Teaching Note: 8B11M101

9B11M096

ABB's Hydropower Sustainability Dilemma

Timo Busch; Vincent Dessain; Kathleen McCarthy

This case is about the multinational company ABB, the development of its sustainability strategy, and its dilemmas in supplying hydropower dam projects. Adam Roscoe, head of sustainability at ABB Group, had to evaluate the content and the business consequences of a letter written by the non-profit organization (NGO) International Rivers. The letter discussed the alleged violations of sustainability criteria when building the Nam Theun 2 dam in Laos. Roscoe needed to assess what implications the letter had for ABB. ABB had a large stake in the outcomes of the project. As ABB had a well-developed sustainability

practice in its core business, such a letter from a large well-known NGO might affect ABB's policies and practices in sustainability.

On the one hand, the World Bank and the Asian Development Bank had a large stake in seeing that the project was successful in its environmental and social aspects. The dam project would be providing the country with much needed economic development: supplying rural areas of Laos as well as Thailand with electricity, bringing in a large source of revenues that would be used in poverty reduction programs for Laos, and lastly providing a non-carbon-based energy source.

On the other hand, ABB had to consider the position of its stakeholders including customers, investors, media and NGOs. If ABB was associated with a dam project that did not comply with international regulations outlined by the World Bank and the Equator Principles of financial institutions, the company could face a reputation risk associated with the project. This could lead to negative publicity and, potentially, loss of business.

Adam thus faced two interweaved questions: Would the International Rivers' letter pose a reputation risk for ABB? What would this example mean for ABB's sustainability criteria and objectives and would this need to be acknowledged, and, if so, how?

Publication Date: November 30, 2011

Issues: Stakeholder analysis; Business sustainability; Strategy development; Risk analysis; Green energy; Developing countries

Disciplines: General Management/Strategy; International;

Industries: Manufacturing;

Setting: Zurich, Switzerland, Large, 2010

Intended Audience: Undergraduate/MBA

Length: 21 pages

Teaching Note: 8B11M096

9B11N015

Airport Express Metro Line: Infrastructure Project Financing and Implementation Through Public Private Partnership

Hukam Singh Chaudhary; Sushil Kumar; Vijay Aggarwal; Gita Bajaj

The case describes the delivery of an urban public transportation project through a public private partnership (PPP). Delhi Metro Rail Corporation (DMRC) was a corporate body created by the Government of India and the Government of National Capital Territory of Delhi (NCT Delhi) for implementing a mass rapid transit system (MRTS) in Delhi. Dr. E. Sreedharan was appointed the managing director of the corporation. DMRC successfully completed phase-I of the MRTS in 2006. The government further mandated DMRC to implement phase-II of the MRTS project. The Japanese Bank of International Cooperation (JBIC) provided soft loans for both phases of the project, which were being implemented and commissioned through conventional engineering and procurement contracts (EPC). Meanwhile, the city of Delhi got the mandate to host the XIX Commonwealth Games 2010. As part of the preparations for these games, linking New Delhi Railway Station with Indira Gandhi International (IGI) Airport with a metro system — Airport

Express Metro Link (AEML) — became necessary for easing the traffic congestion in the city. The time line available for the AEML project was less than three years. At the same time, JBIC financial help was not available for this project. Dr. Sreedharan was thus facing the challenges of project financing and its timely delivery. In the past in India, the public private partnership (PPP) model of infrastructure development had emerged as a dominant model due to its certain desirable characteristics. The case discusses various options available to DMRC for project financing and timely completion of the AEML project under PPP mode.

Publication Date: November 25, 2011
Issues: Infrastructure projects through PPP; Challenge of timely delivery; Financial limitations; Project financing; Delhi, India
Disciplines: Finance; General Management/Strategy; International;
Industries: Construction;
Setting: Delhi, India, Large, 2007
Intended Audience: MBA/Postgraduate
Length: 6 pages
Teaching Note: 8B11N015

9B11M066

Apollo Hospitals Enterprise Ltd. Clinical Score-Card

Murray J. Bryant, Ramasastry Chandrasekhar

In January 2011, the group medical director of Apollo Hospitals Enterprise Ltd (AHEL), India's largest integrated healthcare provider in the private sector, is weighing his options in driving clinical excellence among group hospitals. AHEL has been using a Clinical Score Card, called ACE@25, as a tool to measure and monitor clinical excellence which is becoming a source of differentiation in Indian healthcare industry. ACE@25 measures 25 clinical parameters, benchmarked with the best globally, every month. The group medical director is wondering whether his role should be limited to monitoring clinical outcomes or whether, in order to drive clinical excellence, he should also prescribe the steps that the medical superintendents of individual hospitals should take in improving outcomes in their watch.

Publication Date: 08/09/2011
Issues: Managerial accounting & control, Clinical governance, Healthcare, Performance management
Disciplines: General Management/Strategy, International
Industries: Health Care Services
Setting: India, Large, 2011
Intended Audience: Undergraduate/MBA
Length: 13 pages
Teaching Note: 8B11M066

9B11A028

Aravind Eye Care System: Providing Total Eye Care to the Rural Population

Sanal Kumar Velayudhan; R. Meenakshi Sundaram; R. D. Thulasiraj

The case deals with poor acceptance of the eye care service by the rural population in the south Indian state of Tamil Nadu. One of the factors causing poor acceptance is the lack of awareness among rural population that many cases of blindness are curable. Fear of surgery and

cost are the other major barriers to acceptance by these consumers. Aravind is the largest eye care provider in the world and has pioneered many process innovations that have reduced the cost of eye treatment substantially. The company has a culture that encourages responsive service by a trained and motivated staff. It has experimented with a number of options to educate and provide eye care service to the rural consumers. The manager is to examine options in the decision areas of promotion and service delivery to enhance the acceptance of eye care service by the rural consumers.

Publication Date: September 29, 2011
Issues: Emerging markets; Services marketing; Communication; Rural marketing; Health care market; Distribution
Disciplines: Marketing; International;
Setting: Tamil Nadu, India, Large, 2010
Intended Audience: Undergraduate/MBA
Length: 17 pages
Teaching Note: 8B11A028

9B11M054

Bestseller - Facing a New Competitive Landscape in China

Michael W. Hansen, Marcus Moller Larsen, Torben Pedersen

In the fall of 1996, Bestseller became one of the first international fashion companies to enter the Chinese retail market. Earlier that year, two good friends, Allan Warburg and Dan Friis, had made contact with the CEO of Bestseller A/S, Troels Holch Povlsen, regarding the prospect of selling Bestseller brands in China, where they felt there were many business opportunities. Holch Povlsen found himself believing in the two entrepreneurs, and was convinced by their enthusiasm for the Chinese market. They quickly proved that they had been right about China. A little more than a decade after the first store opened, Bestseller China had almost 2,000 stores, and accounted for more than one-third of the total turnover of Bestseller A/S. The secret to Bestseller China's extraordinary success was its ability to sell price-competitive European designs with a Chinese touch, which was achieved by locating all production in China and modifying Bestseller A/S's designs to suit the size and tastes of Chinese middle-class consumers. With a 10-year head start over potential competitors, by the end of 2007, Bestseller China had managed to establish a strong presence in China. However, the high economic growth and the growing middle class were making the Chinese market highly attractive for other companies. Although global giants, such as Zara and H&M, were devoting big chunks of their budgets to entering China and capturing market shares, these aggressive new entrants were not Bestseller China's biggest concern. In fact, the competition from local companies was seen as the real threat.

Publication Date: 08/29/2011
Issues: China; Franchising; Marketing management; Emerging markets; Global strategy
Disciplines: General Management/Strategy, Marketing, Entrepreneurship, International
Industries: Manufacturing
Setting: China, Large, 2007
Intended Audience: Undergraduate/MBA
Length: 20 pages
Teaching Note: 8B11M054

9B11M074

Black Canyon Coffee

Brian K. Boyd

This case focuses on Black Canyon Coffee, as it begins to develop its strategy for the firm's second decade. Founded in 1993, Black Canyon had grown to become the largest chain of coffee houses in Thailand in 2003. Over its first decade, Black Canyon grew from a single location to 78 retail outlets, serving a mix of hot and cold coffee beverages, as well as Asian cuisine. The founders had no prior experience in either coffee houses or food services, but were successful entrepreneurs in an unrelated industry. Thus far, the company had been profitable, and had managed the threat posed by both foreign (e.g., Starbucks) and local competitors. The coffee house market in Thailand was an emerging industry segment, and expected to grow rapidly. While the company was in a strong position in 2003, competition in the industry was expected to become more intense in coming years. One key issue in the case involves the goals and markets that the company should pursue in coming years. Managing Director Pravit C. Pong believed the company should aspire to a total of 200 stores in the next ten years, while Michael Holland suggested a more ambitious goal of 1,000 locations. Additionally, the company must consider the relative emphasis of domestic versus international expansion, as well as the potential to diversify into other markets. There are a number of tactical and operational issues that the company must confront as well. For example, access to capital and the supply chain infrastructure are both tied to the level and type of growth targets that the firm will pursue.

Publication Date: September 28, 2011

Issues: Growth strategy; Entrepreneurial business growth; Strategic positioning; International expansion

Disciplines: General Management/Strategy; Organizational Behaviour/Leadership; International; Entrepreneurship;

Industries: Accommodation & Food Services;

Setting: Thailand, Large, 2003

Intended Audience: Undergraduate/MBA

Length: 18 pages

Teaching Note: 8B11M074

9B11M064

Centre for Cellular and Molecular Biology: The Commercialization Challenge

Nita Sachan, Prasad Vemuri, Anand Nandkumar, Charles Dhanaraj

The Centre for Cellular and Molecular Biology (CCMB): The Commercialization Challenge case deals with the commercialization challenges that a premier research institution in an emerging economy faces despite conducting cutting-edge basic research. The case is set in 2009 soon after the appointment of its new director, Dr. Mohan Rao. Rao has to decide how to proceed with incentivizing the scientists to find potential applications for their research when most scientists are merely interested in doing basic research and, at the same time, the government is increasing the emphasis on the use of public science for societal good. The case also deals with the role of the commercialization or technology transfer office, issues surrounding publishing versus patenting, basic versus translation sciences and incentives.

Publication Date: 07/28/2011

Issues: Commercialization; Technology transfer; Emerging market; R&D management; Translational science; incentives

Disciplines: General Management/Strategy, Management Science, International

Industries: Health Care Services

Setting: India, Large, 2009

Intended Audience: Undergraduate/MBA

Length: 17 pages

Teaching Note:

9B11D011

Decision-making at A-Cat Corp.

Jitendra R. Sharma

The case describes the situation faced by the vice-president of A-CAT Corp. The company was a mid-sized manufacturer and distributor of domestic electrical appliances, largely catering to the price sensitive rural population. The firm operated two medium-sized facilities in one of the remote districts in Vidarbha. A-CAT's manufacturing units had been in operation since 1986. A-CAT manufactured a wide range of electrical appliances including TV signal boosters, transformers, FM radio kits, electronic ballasts, battery chargers and voltage regulators. The focus was on their flagship product, the VR500 voltage regulator. The challenge was to select suppliers without offending the stakeholders involved in the process. The core issue was to come to a correct decision -- one that best suited company needs. The plan set by the team was to identify potential suppliers/vendors with their attendant strengths and weaknesses and to do so in a well-documented and structured manner.

Publication Date: 09/19/2011

Issues: Analytical hierarchy process (AHP); Cost-benefit analysis; Decision making

Disciplines: Operations Management, Management Science, Marketing

Industries: Manufacturing

Setting: India, Small, 2010

Intended Audience: Undergraduate/MBA

Length: 5 pages

Teaching Note: 8B11D011

9B11M082

Developing an International Growth Strategy at New York Fries

W. Glenn Rowe, Christopher Williams, Sharda Prashad

New York Fries' president and founder, along with its executive vice-president are preparing for the next biannual meeting of domestic and international franchisees. They plan to provide an update on all aspect of corporate strategy and planning for the year ahead, but they only have a few days to formulate a new international growth strategy. The president and executive vice-president are hesitant to expand into new territories partly due to poor experiences in Australia and South Korea; but international franchisees have encouraged them to investigate promising areas of expansion into China and India. Complicating matters was the future development of the company's chain of premium hamburger restaurants. While a well-received brand in Canada, it was not yet decided if and how to internationalize the brand. How can the

president and executive vice-president pursue new opportunities while maintaining their premium brands of French fries and hamburgers?

Publication Date: 08/19/2011

Issues: Location selection, Applying learning, Product portfolio development, International growth, Brand management, Franchising

Disciplines: General Management/Strategy, International, Entrepreneurship

Industries: Accommodation & Food Services

Setting: Canada, Asia, Medium, 2011

Intended Audience: Undergraduate/MBA

Length: 10 pages

Teaching Note: 8B11M082

9B11M071

DORD - Expanding Health Services in Rural Bihar

Arnold Maltz, M.M. Raja

Daudnagar Organization for Rural Development (DORD) was determining how to expand its successful eye care hospital into gynecology services. The case lays out the financial and organizational risks and asks the student to evaluate the possibility of expansion given the economic and governmental constraints of one of the poorest parts of India.

Publication Date: 08/08/2011

Issues: Expansion; Emerging markets; Non-profit organization; Health administration

Disciplines: General Management/Strategy, Operations Management, International, Entrepreneurship

Setting: State of Bihar, India, Medium, 2009

Intended Audience: Undergraduate/MBA

Length: 12 pages

Teaching Note: 8B11M071

9B11M075

Ensuring Family and Business Continuity at India's GMR Group

Kavil Ramachandran; John Ward; Sachin Waikar; Rachna Jha

Most family businesses do not survive beyond two or three generations. One of the main reasons for the short life span of family businesses is due to the lack of governance mechanisms in the family. With better family governance, business development becomes a more enjoyable journey and ensures continuity of the business across generations. This case is about an Indian family business, GMR Group, which was established a quarter century ago, and by 2010 became one of the major diversified infrastructure organizations in the country with large-scale interests in infrastructure (energy, roads and airports) and manufacturing (agri-business, mainly sugar). Since its founding, the Group has come a long way, from an independent proprietary enterprise to a family-owned holding corporation with several companies under its control, along with external stakeholders. The growth of the group has been led by the entrepreneurial zeal and organizational capabilities of its founder G.M Rao. Having seen many family businesses breaking up for want of adequate governance mechanisms, Rao led the way for the writing of his family's constitution with the help of several experts. The entire family spent many hours, and after several rounds of iteration

created and signed a constitution in 2007. The writing process of the constitution, and the policies and processes developed were optimal for maximizing GMR's performance and the family's well-being in current and future generations. The case captures the essential processes and output of writing a family constitution.

Publication Date: November 18, 2011

Issues: Family governance; Family entrepreneurship; Preparing family constitution; India

Disciplines: General Management/Strategy; Organizational Behaviour/Leadership; Entrepreneurship; International;

Industries: Other Services;

Setting: India, Large, 2009-2010

Intended Audience: MBA/Postgraduate

Length: 16 pages

Teaching Note: 8B11M075

9B11M012

From PPG to Vancl: Business Model Evolution of Online Apparel Retailing

Xiaobu Wu, Xubu Bai

In October 2005, PPG pioneered a new model for online apparel retailing in China. Targeting low-end men's apparel, PPG's new business model met with great initial success due to its responsive supply chain, lighter distribution channel, and the brand established by costly advertising. However, underlying limitations of PPG's business model led to its eventual failure. Followers learned from both PPG's success and failure. The best practices of VANCL provided a good example of the evolution of a business model, which made VANCL the new leader in the online retail industry. To show the evolving characteristics of the apparel retailing business model, this case describes a successive two-stage story, in which each company made improvements based on other forerunners.

Publication Date: 08/18/2011

Issues: Apparel; Online retailing; Business model; Light asset; China

Disciplines: General Management/Strategy, Information Systems, Marketing, International, Entrepreneurship

Industries: Retail Trade

Setting: Shanghai and Beijing, China, 2005-2009

Intended Audience: Undergraduate/MBA

Length: 14 pages

Teaching Note: 8B11M012

9B11M105

Godrej Chotukool: A Cooling Solution for Mass Markets

Charles Dhanaraj; Balasubrahmanyam Suram; Prasad Vemuri

Godrej, a Fast Moving Commercial Goods (FMCG) company in India, historically known for its refrigerators in the Indian market, contemplated launching a new product for rural markets. Chotukool was an unconventional cooling solution targeted at the bottom of the pyramid (BOP) segment in India. More than 80 percent of the population in India does not own refrigerators and 50 percent of the population earns less than US\$2 per day. The study tracks Godrej's journey of disruptive innovations from the conception of the idea to the marketing challenges faced by the company. It also focuses at length on how the

organization plans to execute two parallel business models, one aimed at the consumers of traditional refrigerators while the other one simultaneously targets current non-consumers. The case focuses on the management challenge of innovating across the value chain in order to succeed at social innovations.

Publication Date: November 15, 2011

Issues: Social entrepreneurship; Social innovation; Emerging markets; Bottom of the pyramid; Global water scarcity; Affordable innovation; India

Disciplines: General Management/Strategy; Marketing; International; **Industries:** Manufacturing;

Setting: India, Medium, 2007-2011

Intended Audience: MBA/Postgraduate

Length: 11 pages

Teaching Note: 8B11M105

9B11M091

Growth of Bannari Amman Group - A Family-owned Enterprise

Bala Krishnamoorthy; K. Abhinay; Ramesh Kumar

Bannari Amman Group (BAG) was one of the largest industrial conglomerates in South India with manufacturing, trading, distribution and financing corporations in the group. This group had the legacy of conducting business ventures over the past 40 years. Starting as a group of related and unrelated businesses in a purely family-owned entity, now the group had three publicly listed companies and over 15 family-owned businesses in its fold. Following the tradition that the eldest in the family headed the group, the group performed under the leadership of the chairman.

The chairman of BAG had a day long meeting with the unit heads of BAG on January 6, 2011 to discuss their yearly performance and future plans for the business units. At the annual meeting, all unit heads had to make a presentation on the units' performance along with a detailed business plan. This practice had been in place in the group since its inception.

The chairman mused, "Are the business heads capable of handling their units all by themselves?" Until now, he and his brothers had always been there to hand hold and provide guidance. He wondered, "What was the appropriate method of hand holding for the new generation of entrepreneurs?" How would the unit heads act to optimize performance of their units? He observed that the business group's units emerged as independent entities, but the businesses were complementing each other to a certain extent. This was especially true for the logistics. Due to this, the group's businesses enjoyed an inherent advantage. As he looked at the challenges that the units would come across under new leadership in the forthcoming years, he was also aware of the need to develop the vision across the spectrum of units big and small, flagship companies and the smaller stragglers. The chairman looked for processes to keep the group synergies in place and identify the businesses that could be strengthened over time.

Publication Date: November 08, 2011

Issues: Entrepreneurial business growth; Environmental analysis; Corporate strategy; Entrepreneurial mind set; Entrepreneurial opportunity; Corporate social responsibility; India; Tamil Nadu

Disciplines: General Management/Strategy; Organizational Behaviour/Leadership; International; Entrepreneurship;

Industries: Manufacturing;

Setting: India, Tamil Nadu, Large, 2011

Intended Audience: Undergraduate/MBA

Length: 20 pages

Teaching Note: 8B11M091

9B11A015

Health Insurance to the Base of the Pyramid

B.P. Suresh; S.R. Asokan

The case describes a unique insurance scheme called Krupa Arogya Suraksha, promoted by the Shree Krishna Arogya Trust (Trust). The product was designed with the aim of extending basic health coverage to the "base-of-the-pyramid" (BoP) population at an affordable premium. The services were provided by Shree Krishna Hospital, of which the Trust was an associate. The Trust was looking at a win-win situation: in providing modern health services to a larger, lower-income group, the facilities and infrastructure of the hospital would be better utilized. In the five years since its creation, membership in the scheme had increased threefold to 43,000. These members/consumers accounted for 13 per cent of patients treated by the hospital. Thus, the twin objectives of extending affordable healthcare to the lower-income segment and increased utilization of the facilities at the hospital were achieved to some extent. However, the Trust was not able to meet the cost of the health care offered under the scheme from the premiums collected and was dependent on donors to absorb the shortfall. The Trust's management was concerned about the sustainability of such an arrangement and was looking for ways to make the scheme pay for itself.

Publication Date: 07/27/2011

Issues: Base of the pyramid; Health insurance; Service marketing

Disciplines: Marketing, General Management/Strategy, International

Industries: Health Care Services

Setting: India, Small, 2009

Intended Audience: Undergraduate/MBA

Length: 16 pages

Teaching Note: 8B11A015

9B11A032

Himalaya Herbal Toothpaste: Category and Brand Involvement in an Emerging Market

S. Ramesh Kumar; Nitya Guruvayurappan

Kumar was curious to find out whether consumers were really loyal to the brands in the toothpaste category. He was interested in the toothpaste category, and Himalaya had herbal offerings in the retail and prescriptive segments. Were consumers loyal to a particular brand of toothpaste? Did they remember the functional brand benefits? Were consumers buying brands due to the social benefits reflected in the ads? Did consumers continue to buy particular brands without switching, due to inertia? Were consumers interested in herbal offerings? How should Himalaya be perceived by consumers? This medley of issues presented yet another opportunity to an academic to conceptualize consumer behaviour, one that was perhaps unique to the Indian context.

The concept of product involvement differentiated consumer segments based on the degrees of personal interest expressed by consumers with regard to specific products and services. High-involvement categories

required consumers to be involved in extensive buying behavior that led to one or more of the following aspects: risk reduction, enhancement of self-image, and a greater degree of gratification in having achieved an optimal choice after examining the various alternatives in the category. Low-involvement categories were those that were bought in a routine manner by the consumer, with a degree of personal interest that was lower than that associated with the high-involvement categories. Marketers always had to face competitive challenges in enhancing the degree of involvement even in low-involvement categories through appropriate branding initiatives. The toothpaste category was one such category in the Indian context.

Publication Date: October 25, 2011

Issues: Consumer behaviour; Consumer goods; Consumer marketing; Emerging markets; Consumer analysis; Marketing strategy; Consumer research; India

Disciplines: Marketing; International;

Industries: Health Care Services; Retail Trade;

Setting: India, Large, 2011

Intended Audience: Undergraduate/MBA

Length: 15 pages

Teaching Note: 8B11A032

9B11A031

HTC Corporation: A Smartphone Pioneer From Taiwan

Shih-Fen Chen, Lien-Ti Bei

The case describes how HTC, a pioneer of mobile computing from Taiwan, evolved from a local subcontractor of PDA (personal data assistant) to a global contender of smartphone. It analyzes the successful transition of the company from an anonymous supplier of Western clients (such as HP and Palm) to a brand marketer that is considered a major threat to Apple Computer (from its founding in 1997 to 2010). The key issue in this case is the introduction of the HTC brand carried by products delivered to network operators worldwide, such as AT&T, British Telecom, NTT DoCoMo, Rogers, Verizon, Vodafone, and so on. Unlike most subcontractors in the East that encountered strong resistance or even harsh retaliation from their current clients, HTC had the blessings of many Western buyers in the introduction of its own brand name. This case identifies the structural issues between a subcontractor and a client that can potentially dictate the branding status of the final product sold to end-users, namely, when a subcontractor should remain anonymous to end-users and when it should appeal to end-users by branding its own product.

Publication Date: 08/12/2011

Issues: Branding strategy of subcontractors, Multinationals from emerging markets, Innovation and entrepreneurship, Inter-firm collaborative relationship

Disciplines: General Management/Strategy, Marketing, International, Entrepreneurship

Industries: Information, Media & Telecommunications

Setting: Taiwan, Large, 2010

Intended Audience: Undergraduate/MBA

Length: 22 pages

Teaching Note: 8B11A031

9B11M048

Impulsesoft - Music in the Air

K. Balakrishnan

Impulsesoft Private Ltd (IS) is a Bangalore-based information technology company that was founded in 1999 by three software engineers. IS was engaged in developing Bluetooth (BT) middleware. The founding engineers had been working with Texas Instruments in Bangalore since 1995. After establishing their own company, the founders began looking for a chief executive officer (CEO) to run their business while they concentrated on technology and product development. At that time, the founders of IS were merely a set of aspiring entrepreneurs who were short on ideas, funds and clients but rich in aspirations; they quit their jobs in 1999 and set about undertaking contract software development projects in order to learn about building and selling IT products and to generate cash for their venture as well. The founders wanted to build a software product out of India targeting a global market. This desire was verbalized as an idea “to build a Sony or HP (Hewlett-Packard) out of India” and “to build a world-class products company.” In its infancy, IS undertook different kinds of development projects for third parties and considered several other options until it discovered BT middleware as an area to focus on for various reasons. By 2004, IS had turned profitable; with 52 employees by 2005 and a branch office in Silicon Valley, Impulsesoft’s BT software was in 50 per cent of all BT stereo headphones that were being shipped at the time. The market for BT-embedded accessories exploded but chip manufacturers began to incorporate BT features in their chips and gave the technology away for free, and the long-term outlook for IS deteriorated. There were also doubts about how scalable a technology licensing business model could be. At this juncture, the president and CEO of Impulsesoft received a proposal from John Lin, CEO of TEN Technology, a customer of IS and a US\$20 million company, suggesting a merger of the two companies.

Publication Date: 07/19/2011

Issues: Strategy; Turbulent markets; High technology; Technology convergence

Disciplines: General Management/Strategy, International, Entrepreneurship

Industries: Information, Media & Telecommunications

Setting: Bangalore City, Karnataka State, India, Small, 2005

Intended Audience: MBA/Postgraduate

Length: 11 pages

Teaching Note: 8B11M048

9B11M084

India's Mewar Dynasty: Upholding 76 Generations of Service and Custodianship

Kavil Ramachandran; John Ward; Rachna Jha; Sachin Waikar

There are not many families in the world that can claim continuity of existence for over 76 generations in either business or otherwise. Families that manage such a feat tend to have strong roots of values and culture that are in line with the basic principles of trusteeship — to preserve and grow wealth (both material and spiritual) for the benefit of future generations. This case is based on the history of and current challenges faced by such a family, the Mewar dynasty from India.

Publication Date: November 11, 2011
Issues: Trusteeship role; Family governance; Succession planning; Leadership challenges; India
Disciplines: General Management/Strategy; International; Entrepreneurship;
Industries: Other Services;
Setting: India, Not Applicable, 2010
Intended Audience: MBA/Postgraduate
Length: 18 pages
Teaching Note: 8B11M084

9B11M053

Internationalization of Koyo Jeans from Hong Kong

Kevin Au; Bernard Suen; Na Shen; Justine Tang

William Cheung entered the fashion industry in a different manner than Vivienne Tam and Shanghai Tang. He started by working for a modest wholesaler known for its garment and apparel industries. He sharpened his design instincts by creating hit apparel items for the wholesale company. To ensure business, he needed to learn about the entire supply chain, from acquiring raw materials to manufacturing, sales and delivery. The business was flourishing but was not immune to the shortcomings of creative businesses. While working on hitting the mass market and ensuring a large output, Cheung also tested his creativity by opening his own boutique shop. After initial success, he needed to source trendy but affordable fashions to feed customer demand. Chance brought him to South Korea, and together with a local designer, they made a name for themselves and decided to attend an exhibition in Paris. Unfortunately, the experience brought them nothing but despair. Their products and image were not on par with other European brands. By that time, Cheung's boss had sold the wholesale business and the manufacturing plant to him. The setback in Paris caused him to rethink his business. He decided to focus on product innovation and brand-building, and with much effort gained the recognition of Galeries Lafayette — a Parisian department store famous for trendsetting. This case shows how Cheung, in moving his company forward, was able to overcome the weaknesses of being an apparel wholesaler and a fashion retailer. It affords a discussion of how Cheung was able to exploit and grow the wholesale business and move into branding and franchising. Research related to creative industry and ambidexterity is also covered in the case. While Cheung's success was commendable, he faced a number of challenges as Koyo Jeans strove for international success.

Publication Date: September 26, 2011
Issues: International expansion; Brand management; Franchising; Retail marketing; Emerging markets; Entrepreneurial business growth
Disciplines: General Management/Strategy; Marketing; International; Entrepreneurship;
Industries: Retail Trade;
Setting: Hong Kong, Medium, 2010
Intended Audience: Undergraduate/MBA
Length: 11 pages
Teaching Note: 8B11M053

9B11E023

iSoftStone: The Globalization of a Chinese IT Sourcing and Services Power House

Richard M. Kesner

Between 2001 and 2011, iSoftStone Holdings Ltd. grew from a small information technology services firm operating out of Beijing with 40 employees into a global IT consulting and services company with 11,000 employees, effectively competing with established Indian outsourcing IT providers such as Tata and InfoSys. The case discusses the particular go-to-market and growth strategies of iSoftStone and its evolution as a global player. The focus of the case study addresses how iSoftStone approached the management of its human capital and intellectual property as both the vehicle for its rapid and successful expansion and as a differentiating factor between the enterprise and its competitors. The iSoftStone story also demonstrates the importance of enterprise-wide measurement of performance and the use of lessons learned in refining internal business processes and in developing project and serviced delivery teams.

Publication Date: 07/21/2011
Issues: China; Information systems, Outsourcing, Intellectual capital, Knowledge management
Disciplines: Information Systems
Setting: China, Global, Small, 2011
Intended Audience: Undergraduate/MBA
Length: 16 pages
Teaching Note: 8B11E023

9B11N013

JA Intercare Inc.

Edward Chow; James E. Hatch

A Taiwanese entrepreneur plans to set up an insurance scheme for low income earners. A financial model for the operation has been created and students must assess the viability of the business and the risks that it entails.

Publication Date: October 28, 2011
Issues: Setting up an insurance company.
Disciplines: Finance; International; Entrepreneurship;
Industries: Finance and Insurance;
Setting: Taiwan, Not Applicable, 2010
Intended Audience: Undergraduate/MBA
Length: 20 pages
Teaching Note: 8B11N013

9B11D012

KKBOX.com

Darren Meister, Soe-Tsy Yuan

The case describes the strategic internationalization options of a digital music service provider, KKBOX.com, based in Taiwan. KKBOX was the first independent profitable digital music service provider in the world. There were several factors contributing to the profitability of KKBOX. Looking for growth, service internationalization has made KKBOX increase their involvement in international operations adapting its strategy, resources and structure. The strategies included content based

path, technology platform path or new service path. Though there were good reasons to pursue each one in depth, it was vital to prioritize to understand what was negotiable and what was core when going across borders to build a sustainable and strong brand of KKBOX.

Publication Date: 08/03/2011

Issues: China; Cloud-based digital music service, Service excellence model, Service internationalization, Service value network design, Value co-creation interactions

Disciplines: Operations Management

Industries: Information, Media & Telecommunications

Setting: Taiwan, Hong Kong, Japan, China, Small, 2011

Intended Audience: MBA/Postgraduate

Length: 13 pages

Teaching Note: 8B11D012

9B11M106

Mahindra & Mahindra in South Africa

Jean-Louis Schaan; Ramasastry Chandrasekhar

Mahindra & Mahindra Ltd. (M&M) is a manufacturing leader in the utility vehicles (UVs) segment in the Indian automotive industry. Since 2004, M&M has been exporting UVs to South Africa, the only country in the African continent with a significant middle-class population. M&M has set up a fully owned subsidiary in South Africa, where it has also established a servicing and spare parts infrastructure and a dealer network. This subsidiary enjoyed the growth wave in the South African automotive industry up to 2007, then fell into a three-year slump, largely as a result of a recession in the global automotive industry. Now on the verge of industry renewal in 2011, the subsidiary needs to plan its next steps in South Africa, where most global automotive companies have established either manufacturing or trading outposts in response to South Africa's long-term potential and the industry-friendly policies of its government. The case is positioned as of May 2011, when M&M's subsidiary must choose from among four alternatives. M&M can continue with its prevailing business model of importing completely built units (CBUs) from its Indian operations to meet local demand while using South Africa as a re-export hub to target the burgeoning markets in sub-Saharan Africa. It can also choose to collaborate with a local vendor to assemble vehicles locally from completely knocked down (CKD) components imported from India. Alternatively, M&M may choose to set up a manufacturing facility of its own in South Africa, a model followed by many of its competitors. Lastly, M&M can choose to wait and watch until it notes definitive signs of revival in demand, which would make it more certain of its steps. The case provides an opportunity for students to examine each alternative and make a decision on M&M's way forward in South Africa.

Publication Date: December 01, 2011

Issues: Globalization; Internal manufacturing set-up; Market expansion; Contract assembly; Re-export hub; Customer segmentation; India

Disciplines: General Management/Strategy; Operations Management; Organizational Behaviour/Leadership; International;

Industries: Manufacturing;

Setting: India, Large, 2011

Intended Audience: MBA/Postgraduate

Length: 24 pages

Teaching Note: 8B11M106

9B11C010

Maintaining the "Single Samsung" Spirit: New Challenges in a Changing Environment

Shaista Khilji, Chang Hwan Oh, Nisha Manikoth

The case examines how Samsung has grown to become one of the world's leading global companies. It presents a detailed description of Samsung's "Top priority to the People" philosophy, and its strong cultural values; both of which have been instrumental in ensuring its continued success in the past few decades. Since 1982, Samsung Human Resource Development Center (SHRDC) has played a critical role in supporting Samsung's corporate strategy of achieving global competitiveness, through programs that focus upon maintaining Samsung values and developing a cadre of effective next generation leaders. New Employee Orientation (NEO), an intensive four-week in-house program for all Samsung employees, is one example of an SHRD program that helps provide a strong foundation of Samsung's unique culture among the new employees. Most importantly, NEO aligns employees across Samsung affiliates to its strategic direction, thereby fostering a stronger "Single Samsung" culture.

In recent years, however, NEO has been faced with new challenges. First, Samsung's pool of new employees has become more diverse, with the recruitment of more experienced and foreign (non-Korean) employees who are being targeted in addition to the fresh college graduates whom Samsung has always relied upon. Second, Samsung has become aware of stark value differences between the older employees, who are obedient and easily follow rules, and the younger 'digital native' employees, who are more individualistic and prefer egalitarian and open policies. Managers at SHRD are concerned that the "Single Samsung" spirit, which forms the core of Samsung culture, is being threatened from within.

Students must address issues related to the need for maintaining a unified organizational culture among diverse groups of employees whose values conflict with each others, and propose ways for Samsung to effectively employ and utilize all of its employees.

Publication Date: 08/02/2011

Issues: Culture; Generations; Human resource development; Orientation; Training

Disciplines: Organizational Behaviour/Leadership, International

Industries: Manufacturing

Setting: South Korea, Large, 2010

Intended Audience: Undergraduate/MBA

Length: 13 pages

Teaching Note: 8B11C010

9B11D009

MGT Group: Reconstructing the Supply Chain After a Cross-Border Factory Relocation

Xu Zhiduan, Shi Yun, Xu Yong

Established in 1945, MGT Group (MGT, or the Group) was headquartered in France. Its LSD factory was a well-known global engineering provider specializing in the design and manufacture of high-precision valves. At the end of 2007, MGT decided to transfer the LSD factory in France to its Fuzhou factory in China. Two people were put in charge of this project: Kevin Lurton, vice-chief operations officer of MGT Control Systems Division, and Jian Li, the general manager of MGT Fuzhou Company. Lurton and Li faced a series of challenges, ranging

from the need for strategic planning to the need for an implementation policy for supply chain reconstruction during this cross-border factory relocation. Amid the tide of globalization, enterprises are already able to extend their footprint to every corner of the world. For many multinational enterprises, transferring a product line, or even a whole factory, to another country has become a key step toward globalization. Learning Objective:

As a result of globalization, multinationals are able to extend their influence to every corner of the world. Whether for the purpose of cost control or new market development, many global companies have come to regard transferring mature product lines, even the whole factory, to another country as a vital step in achieving their internationalization strategy. China, as a large country for both production and consumption, has become a destination of factory transfers for many well-known multinational companies. During the transfer process, the supply chain typically undergoes a drastic change, for both the former and new owners. Constructing a new supply chain in the context of economic globalization has become a common challenge, revealing many operational and management issues in the manufacturing industry and beyond in China.

Publication Date: 09/19/2011

Issues: China; Cross-border factory relocation; supply-chain reconstruction; supply-chain strategy

Disciplines: Operations Management, General Management/Strategy, Information Systems, International

Industries: Manufacturing

Setting: China, Large, 2007

Intended Audience: MBA/Postgraduate

Length: 15 pages

Teaching Note: 8B11D009

9B11E030

Mudra Communications

Nicole R.D. Haggerty, Shankar Venkatagiri, Ramasastry Chandrasekhar

In 2006, Mudra Communications (Mudra), the third largest advertising agency in India, is in the middle of an organizational transformation in which information technology (IT) is seen by the top management as an enabler. The IT set-up itself is witnessing a transition at Mudra from manual systems to an Enterprise System (ES) which has been developed internally by the eight-member IT team led by Executive Vice President (Technology) Sebastian Joseph. As he gets ready to implement the first module of ES, known as Mudra Business Operations Support System (mboss) covering 70 per cent of the activities of the agency, Joseph is facing some managerial dilemmas related to planning the roll-out, training the end-users and managing the change that the new system will bring to the agency. He is also making a choice between outsourcing the ES architecture and owning it and between outsourcing the development of the remaining seven modules and developing them internally, as before.

Publication Date: 09/13/2011

Issues: Implementing IT systems, IT-business alignment, ROI in IT, Enterprise system

Disciplines: Information Systems, General Management/Strategy, Operations Management, International

Industries: Information, Media & Telecommunications

Setting: India, Large, 2010

Intended Audience: Undergraduate/MBA

Length: 18 pages

Teaching Note: 8B11E030

9B11M083

Ocimum Biosolutions: From Bioinformatics to Integrated Custom Research Outsourcing

Gita Surie

Ocimum Biosolutions, a start-up Indian bioinformatics venture in 2000, had established a presence in Europe and the United States by 2010. The contract research outsourcing industry was expected to continue to grow, as large pharmaceutical companies in industrialized countries were outsourcing work at all stages of the drug development life cycle — from discovery research to clinical trials designed to accelerate drug development as established drugs came off patent. The current challenges for Ocimum were continued growth and the ability to manage expansion while balancing risk. Anu Acharya, Ocimum's CEO, was considering possible solutions.

Publication Date: September 22, 2011

Issues: Globalization and global strategy; Biotechnology; Emerging markets; Foreign entry strategy; International alliances; Organizational structure; Entrepreneurial business growth; Offshoring of knowledge-based work

Disciplines: General Management/Strategy; Entrepreneurship; International;

Industries: Health Care Services;

Setting: India; Europe; United States, Medium, 2010

Intended Audience: MBA/Postgraduate

Length: 20 pages

Teaching Note: 8B11M083

9B11M065

Oral Insulin: Breakthrough Innovation at Biocon

Nita Sachan, Prasad Kaipa, Anand Nandkumar, Charles Dhanaraj

This case deals with the innovation challenges of a medium sized firm (under \$1 billion) in an emerging economy (India), particularly the challenges of product development and commercialization. The management has to decide how to proceed with a promising novel formula for oral insulin — a promising therapeutic area both in terms of financial returns as well as social impact. The company had spent several years of R&D in getting the drug through Phase I and Phase II trials, and was entering the most critical stage, Phase III. The case is set in 2009, a period that was punctuated with a lot of economic uncertainty. Students are asked to decide if Biocon should go ahead with Phase III, and if so, whether it should be done locally or globally and with a partner or alone. The case also deals with transitioning research and development strategies in emerging markets, wherein firms that have traditionally focused on 'imitation' (or generic drugs) are moving to high risk drug discovery.

Publication Date: 07/28/2011

Issues: Management of innovation; Technology commercialization; Technology licensing; Research and development (R&D); Technology entrepreneurship; Emerging markets

Disciplines: General Management/Strategy, Management Science, Operations Management, International, Entrepreneurship
Industries: Health Care Services
Setting: India, Large, 2010
Intended Audience: Undergraduate/MBA
Length: 18 pages
Teaching Note: 8B11M065

9B11A045

Orchid Ecotel: Leveraging Green Hoteling as Core Competency

Rama Deshmukh; Atanu Adhikari

Vithal Kamat (CMD, Kamat Hotels India Ltd.) is a second generation entrepreneur who has taken the Kamat Hotels brand to new heights. A small restaurant chain was transformed into a full-fledged hospitality services group under his leadership. Kamat Hotels (India) Ltd. included five major verticals from five-star luxury hotels (The Orchid Ecotel) to economy restaurants (namely Kamat Restaurants) that catered to the different customer segments. Kamat had ambitious plans for the expansion of every vertical using alternative growth strategies. However, the recent economic slump had caused a sudden setback due to the fall in average room occupancy and competing room-tariff rates offered by other hotels. In such a tumultuous situation, Kamat planned to use the core competency of the hotel as an 'ecotel,' that is, an environment friendly hotel, to go in for corporate branding and lever its position in the market. The case illustrates the challenges faced by Kamat in extending the core competency of 'The Orchid' to its other verticals. The Orchid had performed better than the industry average until 2008. However, in 2009, the performance dipped, partly because of the economic recession. This prompted the board members of the company to decide on extending the core competency of the ecologically sustainable hotel into other verticals. However, this decision had to be considered carefully in the light of its impact on 'The Orchid' as well as on the other verticals. What are the challenges that will be faced while extending the core competency of 'ecoteling' to the other verticals? There were numerous related issues that needed to be addressed strategically as well as tactically, in order to maintain a balance between extending the core competencies across the verticals while extending the brand per se.

Publication Date: October 26, 2011
Issues: Core competency; Competitive strategy; Green product; Green marketing; Hotel management; Mumbai, Maharashtra, India
Disciplines: Marketing; General Management/Strategy; Management Science; International; Entrepreneurship;
Industries: Arts, Entertainment, Sports and Recreation;
Setting: India, Mumbai, Maharashtra, Medium, 2009
Intended Audience: Undergraduate/MBA
Length: 19 pages
Teaching Note: 8B11A045

9B11C037

Passing the Baton: Role Transition of B. K. Jhawar

Kavil Ramachandran; Alexander Mathew

Most family businesses do not last for long. Only one third are able to survive the transition from first to second generation. A critical issue in

the perpetuation of family businesses is the management of succession. Most successions primarily fail because the first generation founders find it difficult to let go or disengage from the business as they approach the age of retirement. As a result, they fail to prepare the next generation of successors for the leadership role. The founders often fail to plan for succession due to a number of different reasons such as a lack of other interests outside of work, psychological identity with the firm, and fears of aging or death. Due to these reasons, the founder's retirement from the business is frequently portrayed as a negative event. Succession, in turn, is often seen as a phase of crisis and upheaval, which a business must overcome. However, this need not necessarily be the case. Retirement could provide a new, even more exciting, phase of life, while succession could be viewed as a strategic opportunity to revive the business. This case involves an accomplished business leader, B.K. Jhawar (BK), founder of Usha Martin Group (UMG), who successfully managed the twin challenges of retirement and succession. By the time he reached the age of retirement, BK had built up a social venture (KGVK) as his second and endless career option. Before completely disengaging from the business and transitioning to his new role full time, BK prepared the second generation for business leadership and effectively passed on the baton.

Publication Date: October 26, 2011
Issues: Retirement; Leadership succession; Family philanthropy; Social entrepreneurship; India
Disciplines: Organizational Behaviour/Leadership; General Management/Strategy; Entrepreneurship; International;
Industries: Social Advocacy Organizations;
Setting: India, Medium, 2010
Intended Audience: MBA/Postgraduate
Length: 8 pages
Teaching Note: 8B11C037

9B11M093

Pioneer Corporation: The NEC Plasma Opportunity (A)

Derek Lehmborg

In the A case set in 2004, Kaneo Itoh, president of consumer electronics firm, Pioneer Corporation, was considering acquiring the plasma display operations of another Japanese firm, NEC. Pioneer had decided some years ago that plasma display panel (PDP) technology was a strategic area for it to invest in. Recently, Pioneer had been selling increasing numbers of plasma TV sets using PDPs. While the company was building a new PDP production facility that would soon become operational if demand continued to increase, additional capacity would become necessary. Buying NEC's plasma operations would give Pioneer this capacity, the potential for realizing scale economies and some valuable intellectual property NEC had developed.

Publication Date: November 21, 2011
Issues: Technological growth; Strategy; Multi-business enterprise; Technology; Mergers & acquisitions
Disciplines: General Management/Strategy; International;
Industries: Manufacturing;
Setting: Japan, Large, 2004
Intended Audience: Undergraduate/MBA
Length: 15 pages
Teaching Note: 8B11M093

9B11M079

Shutout Solutions

Edward Gamble; Peter Moroz; Stewart Thornhill

After working together on a university business plan, two entrepreneurs had worked for three years to develop their venture: Shutout Solutions Inc. Their startup venture was established in response to an issue familiar to most hockey players: notoriously smelly equipment. While their familiarity with hockey equipment helped them identify a specific problem, subsequent research had revealed a much broader issue: the need to clean products that were made of micro-fibre. Utilizing a technology that addressed the micro-fibre odour issue, they believed they had a five year opportunity window to develop and profit from the business before it was imitated or superseded. As they considered their options, they realized that they may have to choose to focus their resources on a single product line rather than continue to develop their current portfolio of a detergent, a body wash and a spray. They also questioned whether they were using the right channel – gyms and sporting goods stores – to reach their customers. The opportunity to pursue bulk institutional sales was also intriguing, though it would require a different sales, pricing and distribution strategy. And they also considered how they might respond to an offer to sell the company in its current form.

Publication Date: October 05, 2011

Issues: Entrepreneurial business growth, Entrepreneurial opportunity, Feasibility analysis, Growth strategy, Intellectual property, Product strategy

Disciplines: General Management/Strategy; Marketing; International; Entrepreneurship;

Industries: Retail Trade;

Setting: Canada, Korea, Small, 2011

Intended Audience: Undergraduate/MBA

Length: 14 pages

Teaching Note:

9B11C043

Singareni Collieries: From Gloom to Glory

S. Ramnarayan; Neha Gupta

The case narrates how A.P.V.N. Sarma, chairman and managing director (CMD) appointed in 1997, realized the pressing need for change to rescue Singareni Collieries Company Limited (SCCL) from impending bankruptcy. SCCL was declared “sick” (bankrupt) by the Board for Industrial and Financial Reconstruction (BIFR) twice, in 1992 and 1996. It had accumulated losses of 12.19 billion rupees. As it provided direct and indirect employment to people residing in the region around SCCL, the well-being of the organization was critical not only for the mammoth workforce, but also for the state of Andhra Pradesh (AP). The power generation units of the state relied significantly on the coal supplied by SCCL.

The case captures various initiatives undertaken by Sarma to bridge the trust deficit between management and blue-collared workers with low literacy and income levels. It discusses the novel communication strategies to connect with workers. The case describes how numerous strikes plaguing SCCL were curbed, and order was restored to allow productivity to rise.

Under Sarma’s leadership, SCCL achieved a net profit of 894.1 million rupees for the fourth consecutive year in 2001.

Sarma had a fixed tenure of five years which ended in 2001. The task for the new leader was to build on the foundations laid by Sarma and take the performance of SCCL to new heights.

Publication Date: December 06, 2011

Issues: Communication; Change management; Employee relation; Leadership; Trust; Andhra Pradesh, India

Disciplines: Organizational Behaviour/Leadership; International;

Industries: Mining;

Setting: Andhra Pradesh, India, Large, 2001

Intended Audience: Undergraduate/MBA

Length: 12 pages

Teaching Note: 8B11C043

9B11C036

Sumeru Software Solutions: Creating a Culture of Serene Dynamism

Amit Gupta; Kshitij Saxena

Sumeru Software Solutions was a software-development-consultancy organization headquartered in Bangalore, India, with offices in Washington D.C., Dubai and London. It began operations in July 2001 as a single project with two employees, and grew to an organization with approximately 200 employees over a period of 10 years. The founding objective of Sumeru Software Solutions was to support Art of Living’s (AOL) social development initiatives through profits earned from delivering high quality services. The Art of Living (AOL) was founded in 1981 by Sri Sri Ravi Shankarji as a not-for-profit, educational and humanitarian non-governmental organization engaged in stress-management and service initiatives. Art of Living offered stress-elimination programs, which included breathing techniques, meditation and yoga that were intended to help individuals get rid of stress and experience inner peace. Sumeru had developed a unique culture that combined corporate culture with the Art of Living principles of Seva, Satsang, Sadhana and smiling even in the face of adversity. The organizational culture was based on the AOL values of a stress free mind. In line with the AOL principles, the four pillars of Sumeru culture were ethics, caring, sharing and trust. It purported to follow a peaceful yet aggressive way of doing business called “Serene Dynamism.” Sumeru tried to balance happiness, productivity and profitability. Harish Ramachandran, CEO of Sumeru Software Solutions, had created an enterprise that was different from other IT organizations. He was wondering how he would sustain the culture of the organization and make Sumeru a high performance company over the next 10 years as it expanded its business and hired new employees.

Publication Date: October 06, 2011

Issues: Corporate culture; Corporate social responsibility; Personal values; Management philosophy; Employee selection; Employee engagement; Employee termination; Value-based management; Work life balance; Job enrichment; Job satisfaction; Performance management

Disciplines: Organizational Behaviour/Leadership; General Management/Strategy; International; Entrepreneurship;

Industries: Information, Media & Telecommunications;

Setting: India, Bangalore, Medium, 2010

Intended Audience: Undergraduate/MBA

Length: 23 pages

Teaching Note: 8B11C036

9B11C033

Ujaala Borderline General Insurance Company Limited

W. Glenn Rowe; Lyn Purdy; Unnat Kohli

In the last two years Ujaala Borderline had lost two key accounts and lost in the bidding process for a third large account. Ujaala Borderline's CEO and Executive VP Corporate Sales (Indian and MNC business) had just left a meeting with the firm's largest client - Sweekar Iron and Steel. Sweekar's CEO had informed them that he was taking his firm's business from Ujaala Borderline and going with another provider. The CEO had pointed out several servicing issues that had occurred over the last two years and considered that these issues had been ignored. First, there were errors in policies and several problems with delivery. Second, because of Ujaala Borderline's many organizational changes, managers at Sweekar were required to interact with several Ujaala Borderline staff - this issue was compounded by the claim from each Ujaala Borderline staff member that they owned the Sweekar account. Third, there were several mistakes in quotes. Fourth, Sweekar had three different relationship managers in four years because of the high staff turnover at Ujaala Borderline. Finally, a recent claim had not been settled to Sweekar's satisfaction. As the CEO left the meeting, he wondered what had happened. He had recently been profiled in a national newspaper as the CEO of the leading general insurer in India but now felt that he was embroiled in changes that he knew he had created. As he was thinking about the meeting with Sweekar's CEO and recent events he almost collided with an auto rickshaw. If Dhirender had not shouted a warning there probably would have been a collision. The CEO now realized that Ujaala Borderline had many problems and he knew that he had to act quickly and decisively to turn things around or else his job was at risk.

Publication Date: September 21, 2011

Issues: Rapid organizational change, Leadership issues, Battles for power

Disciplines: Organizational Behaviour/Leadership; General Management/Strategy;

Industries: Finance and Insurance;

Setting: India, Large, 2010

Intended Audience: Undergraduate/MBA

Length: 22 pages

Teaching Note:

9B11N011

Valuing Rajat Bhatia's Business Plan

S.K. Mitra

A final year student of a business school estimated the net present value (NPV) of his proposed business plan using three different methods and encountered different valuation results. He approached the professor

who had taught him valuation concepts in a finance course and wanted to know the reasons for the difference.

Publication Date: 09/12/2011

Issues: Business valuation; Capital budgeting; Cost of capital; Net present value method; Entrepreneurial finance, NPV

Disciplines: Finance, International, Entrepreneurship

Industries: Other Services

Setting: Nagpur City, India

Intended Audience: MBA/Postgraduate

Length: 7 pages

Teaching Note: 8B11N011

9B11M099

WorldSpace Satellite Digital Radio Service

Srinivasan Sunderasan

Termination of WorldSpace India operations in 2009 was a part of restructuring efforts of the Maryland, U.S.-based parent company that had filed for bankruptcy in October 2008. As of June 30, 2008, WorldSpace Inc. (later 1 WorldSpace) had listed debt of US\$ 2.1 billion and assets of US\$ 307.4 million and had sought bankruptcy protection to help raise fresh funding to repay its debts. The parent's two regional satellites, AfriStar and AsiaStar, and related ground assets had been acquired by U.S.-based Liberty Media, which also owned 40 per cent of satellite radio service provider Sirius XM Radio. The termination of WorldSpace raised a series of questions regarding early mover disadvantages, business ideas and pricing strategy. Analysts further extended the arguments to draw parallels with the likes of Iridium to question strategic decisions relating to the service-hardware mix, service provision and pricing, power of complementors, power of substitutes and overall, the consumers' willingness to pay for incremental choice.

Publication Date: November 22, 2011

Issues: Service pricing; Service hardware package; Pricing of substitutes; Power of complementors; Capital structure; Debt equity ratio;

Incremental choice; India

Disciplines: General Management/Strategy; Marketing; International; Entrepreneurship; Finance;

Industries: Information, Media & Telecommunications;

Setting: India, Medium, 2009

Intended Audience: MBA/Postgraduate

Length: 16 pages

Teaching Note: 8B11M099

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