



Accounting

Manufacturing Profit: What Is Driving Stock Prices in the Auto Industry? **New!**

In 2019, an investment analyst for a hedge fund firm based in the Bahamas was tasked with evaluating his firm's exposure to the automotive industry. The hedge fund firm held various large positions in the automotive segment, most notably in two equities—Fiat Chrysler Automobiles N.V. and Ford Motor Company. The analyst decided to focus on these global industry giants as a proxy for the broader automotive segment. His manager expected an assessment of the industry's prospects, so the analyst had to decide if the past stock performance of the two companies was a fair indicator of each company's and the industry's future. He also had to consider why one company would lose almost twice as much value as the other in one specific period. And why did the stock of the more diversified company experience the steeper decline? The analyst was eager to answer these and other questions, both for his own and his manager's interest.

Under Armour Settles with the SEC **New!**

In May 2021, a recent graduate from the master of business administration program at Ivey Business School noticed a news article about one of his investments, the leading athletic apparel company Under Armour, Inc. The article stated that Under Armour, Inc. was fined US\$9 Million by the US Security and Exchange Commission. The charges were a result of concerns over the company's revenue reporting practices, but the company's share price dropped only very slightly following the announcement. The investor was considering his options regarding his investment. However, he was still curious and eager to learn more about the circumstances behind the US Security and Exchange Commission's charge and

potential consequences for the company. The investor decided to examine Under Armour, Inc.'s revenue reporting practices, financial reporting practices, and corporate governance issues.

Lakeshore Tea Company: Merchandising Operations New!

At month's end in May 2021, the owner of Lakeshore Tea Company Inc. (Lakeshore) located in Mississauga, Ontario, Canada, was reviewing her company's merchandising operations for the preceding month. Lakeshore operated as an herbal tea processor and supplier, importing herbs and tea leaves from a variety of sources across the globe. Over its first two years of operations Lakeshore had experienced significant growth and had begun supplying a variety of restaurants, health food stores, and small grocery outlets in the Greater Toronto Area. The owner was now tasked with recording all accounting entries relating to Lakeshore's merchandising operations for the past month.



Entrepreneurship

Farmer Lee Farms: Planting for the Future New!

Farmer Lee Farms was a family-owned farm 70 kilometres from Johannesburg, South Africa. The farm was founded in 2005 by Jimmy Botha, a sixty-year-old, first-generation Black commercial farmer. From 2005 to 2017, the farm had experienced steady growth and was recognized as a Black business success story in post-apartheid South Africa. During this period, the farm had a clear target market of high-end food packaging houses and food retailers and specialized in the supply of high-quality, high-value fresh produce. However, a severe hailstorm in 2017 destroyed important infrastructure on the farm that was crucial for growing the farm's temperature-sensitive products. The capital required to repair the infrastructure was not available. As a result, the farm lost key off-take agreements with high-end retail customers and Botha had to change his crops to hardier but lower-value cash crops. In November 2020, the farm urgently needed to re-evaluate its strategy to avoid bankruptcy, for which Botha was considering four options: continue growing cash crops and hope for a market turnaround, apply for a bank loan for funds to repair the damaged infrastructure, access the available government grants to carry out repairs to the infrastructure, or change his farming methods entirely and learn an alternative farming technique known as hydroponics.

Tweets, Retweets, and Entrepreneurship Notable!

This case looks into how to effectively engage audiences through social media marketing. Specifically, the case addresses how entrepreneurs can use Twitter to generate community

awareness through tweets and retweets. It also provides information about Twitter's history, format, and publicly available data analytics.

Medicloud Singapore: Digital Health Entrepreneurship in an Evolving Industry Notable!

In December 2016, two years after the founding of Medicloud, a Singapore-based start-up that offered a medical appointment-booking application, the founder and chief executive officer recognized that the start-up had yet to monetize. A decision regarding a pivot was imminent. He also recognized that there were new opportunities in the areas of employee benefits and insurance for small- and medium-sized enterprises (SMEs). He needed to answer two pressing questions before the company's initial funding ran out: Should the start-up pivot to serve SMEs? If so, what kind of products and services should it offer to the SMEs?

Carmién Tea South Africa: International Entrepreneurship in a Born-Global Firm Notable!

In September 2019, the founder of Carmién Tea, based in South Africa's Western Cape province, faced a dilemma. Her company, founded in 1998, was a producer and supplier rooibos tea, which was unique to the mountainous area north of Cape Town. After a new South African government was elected in 1994, the deregulation of the agricultural industry enabled the founder to start a rooibos export company. This political environment and the founder's entrepreneurial orientation shaped both the firm's origins and its early internationalization. As 98 per cent of the company's sales were being exported and 84 per cent were still sold as bulk, the founder needed to determine whether the company had the resources and capabilities to ensure that the Carmién Tea brand and its value-added sales would grow in an increasingly competitive international environment. Where should she begin?



Finance

Rudra Industries: Bidding for Generator Leases New!

In April 2020, Rudra Industries and Services Private Ltd., a diesel generator product and service provider in Uttar Pradesh, the largest state in northern India, was facing a dilemma. Diesel generators (DGs) were heavily used by telecommunication companies to provide uninterrupted power supply to their towers, despite frequent power outages. However, consolidation in India's telecommunication industry had led to stagnation in the company's core business. To maintain a continuous flow of income, the company was considering a business expansion to leasing diesel generators to clients. The company was asked to prepare a bid proposal for leasing 100 DG sets to a local bank with numerous branches across the state. What factors would influence the pricing estimates in the bid? How should the company finance the purchase of generators that will be leased out to the client? How could the pricing estimate be calculated to ensure the project would be profitable? Should the company even consider entering the leasing sector, considering recent reductions in power outages and increasing diesel prices?

Westshore Terminals Investment Corporation: The Discovery of a Value Investing Idea New!

A newly hired investment analyst at Oyster & Co. Capital Management (Oyster Capital) reviewed the most recent annual report for Westshore Terminals Investment Corporation (Westshore). On March 21, 2018, stock in the coal storage and loading terminal company was trading at CA\$21.90, but the analyst believed the stock was undervalued at its current price. He wanted to propose to Oyster Capital's investment committee that the firm invest \$10 million in Westshore's stock. The analyst

needed to evaluate the data to be certain of his position and prepare a recommendation for the investment committee.

Tesla: The SolarCity Acquisition Notable!

In mid-2016, the chief executive officer of Tesla, a U.S. manufacturer of electric cars, was interested in acquiring SolarCity, a U.S. solar power manufacturer and distributor. Both Tesla and SolarCity operated in young, high-growth industries; however, despite their high growth rates, both companies were also losing money every year. Both companies had similar products and could be a strong strategic fit. The chief executive officer needed to convince Tesla's shareholders that SolarCity would be a good acquisition target and then determine a fair price to offer.

Buy or Rent: Living in Singapore Notable!

Mr. and Mrs. Wong and their three children had rented a condominium unit in Singapore for the past six years. During that time, they had been watching the property market with the objective of buying a home of their own. A larger unit in the same building finally became available for sale in June 2016. Coincidentally, their rental lease would expire soon after that date. If they decided to buy the larger unit, they would hold it for the next 10 years. Their net gain or loss of the buy versus rent decision would depend on the selling price of the unit at the end of 10 years and the rental payments.

Turmoil at CSX: Hunter Harrison's Medical Leave Notable!

In December 2017, two news releases were issued by CSX Corporation (CSX) concerning its chief executive officer (CEO), who had been appointed nine months earlier based on his record of drastically cutting operating expenses. The first release indicated that the CEO had taken a medical leave of absence due to unexpected complications from a recent illness and that an acting CEO had been appointed. The next day, CSX shares dropped 7.6 per cent, erasing almost \$4 billion in market value. The second release, two days later, indicated that the CEO had died. Subsequent news reports questioned the board's initial decision to hire him. The events raised issues related to unlocking shareholder value, the role of boards, and the impact of activist shareholders. Did the board do sufficient due diligence surrounding the CEO's health when he was initially hired? Was the CEO's vision and strategy more important than its implementation? Was the hiring of this CEO short-term thinking?



Management Science

Orlando Magic: The Free Agency Decision New!

On the morning of June 30, 2019, the Orlando Magic had only a few hours to make a major decision, before the National Basketball Association free agency period was set to begin at 6 p.m. The management team needed a recommendation regarding whether to offer a new contract to the team's current player, Terrence Ross, or pursue a free agent replacement, such as Rudy Gay. With extensive analytical data available, a thorough analysis was needed to predict which player was most likely to contribute to the Orlando Magic's future success.

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Scheduling a Conference Notable!

This case uses a mathematician's experience as a first-time organizer for a prestigious conference in Barcelona, Spain, to set the stage for applying optimization methods to scheduling problems. In particular, the case addresses linear optimization with binary variables to map out a speaker schedule. The protagonist, Juana Torres, is given a list of submitted talks, a matrix of restrictions about which talk fits which topics, as well as a number of constraints on individual presenters' schedules. Her goal is to find a speaker

schedule which maximizes the attractiveness to the audience without violating any of the constraints. The material includes a spreadsheet template with a basic schedule layout for students to work through.



General Management/Strategy

L'Abode Accommodations Down Under: Agile Leadership Navigates Pandemic Threat to Business Survival New!

On March 1, 2020, when news of the COVID-19 pandemic emerged, it meant an existential threat to the survival of businesses internationally. L'Abode Accommodations, a full-service property management company based in Sydney, Australia that specialized in mid- to high-end luxury vacation homes, was no exception. Virtually overnight, the company experienced an alarming number of contract cancellations. To make matters worse for an industry dependent on vacationers, Australia shut its borders to international travellers. How could L'Abode Accommodations adjust its operating model and strategic and tactical marketing efforts to stop the business from bleeding revenue and profit and to address the staff's fears of layoffs, as cancellations poured in?

Pythagoras Global: Emerging Market Funds and the Conundrum of Family Ownership New!

In 2016, Pythagoras Global Fund (Pythagoras), based in the United Kingdom, decided to launch a fund focused on emerging markets, especially those in Brazil, Russia, India, and China (BRIC countries). Pythagoras's fund manager favoured investing in family-owned businesses, but the investment opportunities in India used ownership structures different than those used in developed markets. The structures in Indian groups altered the cash flow and effective ownership rights in the subsidiary firms, which had ramifications for stakeholders and raised associated governance issues. The fund manager needed to decide which firm to choose by assessing the investment opportunities and evaluating the corporate governance of the companies.

Telkom South Africa: Business Model Innovation in a Changing Industry New!

In May 2021, the chief executive officer of Telkom SA SOC Limited (Telkom) in South Africa was facing a dilemma. Fifth generation (5G) technology was about to be introduced to the country's communications industry. While Telkom had fared well during the COVID-19 global pandemic, even managing to gain market share from its much larger competitors, the anticipated release of additional coverage spectrum for the new 5G technology was going to put pressure on Telkom's finances and business model. The chief executive officer, appointed in 2013, had helped transform the company's business model from a struggling state-owned enterprise with a monopoly and unhappy customers to a thriving business in open competition with complementary strategic business units. However, with continuous evolution in the industry, Telkom was forced to innovate again and possibly reposition its strategic business units.

Kmind: The Strategy Consulting Service Model in China New!

Established in 2015 in Shanghai, China, Shanghai Kmind Enterprise Management Co., Ltd. was a strategy consulting firm that specialized in helping enterprises overcome market competition through the provision of its consulting services. It not only provided strategy consulting reports to clients but also acted as a business partner in assisting clients in implementing the reports. Among its many clients, nine leading enterprises had achieved rapid growth, and five had reached revenue of ¥10 billion. However, behind its success, the firm was facing a shortage of consultants. Although its clients had increased in number since the firm's founding, it had had to turn away many high-quality clients because of the consultant shortage. The firm's chairman had to consider how to rapidly improve the firm's service capability.

NorLand: The 500-50-25 Ambition New!

NorLand Limited (NorLand) was a construction company based in British Columbia, Canada, with operations in Alberta, British Columbia, Quebec, and the United States. Having grown primarily by acquisition, the company was moving toward an ambitious goal: to achieve CA\$500 million in revenues and CA\$50 million in net operating income (NOI) by 2025—the 500-50-25 goal. The main questions facing Dave Reynolds, NorLand's chief executive officer (CEO), and his leadership team revolved around not only expanding the business to achieve this target but doing so sustainably, while giving NorLand's business units the latitude and freedom that had drawn them to join NorLand in the first place.

Wine Importer Asa Top: Navigating the China-Australia Wine Trade War New!

In March 2021, the wine trade war between China and Australia was escalating, and the competitive landscape in China's wine market had changed dramatically in just three months. Asa Top, a Chinese import company that had represented certain Australian wineries for over a decade, had to rethink its marketing strategy. The general manager of Asa Top did not know when the recent trade friction between China Australia would end. After the Chinese government introduced its new tariff policy on Australian wine, other participants in the Chinese wine market had quickly reacted to claim Australian wine's market share in China. How should Asa Top deal with the impact of the duties, reduce the losses, and explore future co-operation with Australia's winemakers?



Information Systems

Harry Rosen: Digitizing Customer Relationships New!

Ian Rosen, the recently appointed executive vice-president of Digital and Strategy at Harry Rosen Inc. (Harry Rosen), a successful men's retail chain founded by Ian's grandfather in 1954, must decide on a technology solution to support the advancement of his proposed digital strategy for Harry Rosen. The decision-making challenges he is encountering in early 2020 are compounded by the onset of the global pandemic and resulting impacts on the luxury menswear family retail business. Given the timing of the onset of COVID-19, the challenges and opportunities related to the replacement and upgrading of the company's e-commerce platform have been heightened. Strategic investment and the seamless execution of a new digital strategy are imperative components of the sustainability of the retailer's success. Ian must review and consider three different options, finalize his decision and proposal, and be prepared to launch earlier than originally planned.

The Palace Museum: The Future of its Digital Transformation New!

Beijing's Palace Museum was facing the threat of becoming irrelevant and obsolete. A former imperial palace, it housed thousands of priceless cultural relics of historical importance and was once a destination in high demand. However, over time, the museum found its popularity with modern youth was waning. To address this problem, the Palace Museum chose to follow in the footsteps of other global museums and in 1998, launched a digital transformation. By June 2020, the museum had made steady progress in its digitalization over the previous two decades. It formed partnerships with online media platforms and experimented with innovative technology in key areas of its systems and structures. However, this transformation did not come without criticism. Was the museum sacrificing its integrity and its cultural import by leaning too heavily on science and technology? If people could

access the collections online, would anyone still bother to visit? The museum was challenged to weigh the risks and benefits of digital transformation.

MarcPoint: Strategizing with Big Data Notable!

As Shanghai MarcPoint Information Technology Co. Ltd. (MarcPoint) celebrated its fifth anniversary, its founder was quite pleased by what the company had achieved. MarcPoint was a start-up that offered marketing research services by analyzing user-generated content (UGC) with big-data technologies. The company had been successful and grown steadily since its inception in 2013. It was founded upon the realization that UGC was disrupting traditional marketing research and that big-data analytics provided the technological means to analyze the UGC efficiently and effectively. In 2018, the founder reflected on what MarcPoint's next steps should be: What technologies should they pursue? Which markets could they target for growth in the next five years? Should they try to transport MarcPoint's success to overseas markets? All in all, what needed to be done to sustain MarcPoint's growth and maintain its leading position in the turbulent technical and business environment?

Concentrix Corporation: Analytics to Audit Claims in Customer Management Services Notable!

Concentrix Corporation (CNX), a technology enabled global business services organization, supported a transport solutions company with its customer management services. In June 2019, CNX's global customer services operation manager carried out an assessment and found irregularities in the credit claim process for CNX's client. The manager needed to reduce the number of irregularities so that CNX's agents did not create a negative experience for the client. Random samples for audit revealed that existing guidelines and control procedures were ineffective in capturing irregularities. What strategy did the manager need to select a sample for audit that could capture the maximum number of irregularities within the allowable audit cost?



Marketing

Hatsu: From Start-up to Megabrand New!

The Hatsu brand of tea beverages and healthy food products emerged from the idea of two Colombian entrepreneurs in 2010 and evolved, in just over five years, to capture the interest of the leading company in the Colombian beverage market, Postobón SA (Postobón), which acquired it. In this context, Hatsu faced the challenge of consolidating itself in the tea beverage market while also venturing into other product categories (e.g., cereal bars, nuts, infusions, and sodas) and multiplying its sales without losing the lifestyle concept on which it was built and through which it had succeeded. By late 2020, Postobón's premium business unit director needed to determine how Hatsu could be turned into a megabrand without losing its essence.

ViacomCBS: RuPaul's Drag Race—from Subculture to Mainstream New!

VH1, MTV, and LOGO were all popular television channels owned by the ViacomCBS television network. One of the most successful shows on LOGO was RuPaul's Drag Race, a reality television show featuring drag queens. ViacomCBS was considering moving RuPaul's Drag Race off LOGO to a different platform within the ViacomCBS portfolio in 2017. Before deciding where RuPaul's Drag Race would air, ViacomCBS needed to determine whether the show could be successful on another platform given its current fan base, how the potential move would affect the show's ratings, and whether the positioning or targeting strategy for the series would need to change if it were moved.

CavinKare's Indica Easy: Launching Shampoo Hair Colour New!

In September of 2017, CavinKare Private Limited was faced with a tough decision about how to continue its growth in the personal care products industry. The company had been successful in the hair colour market in India, particularly in the southern regions of the country. CavinKare's success was largely due to their focus on research and development and innovation. The hair colour market showed room for growth, and CavinKare wanted to make sure that they capitalized on its potential. There were three options before the company: stay with their existing products and markets, expand their existing products into new markets, or create innovative new products. To make the decision, CavinKare had to consider many factors, including consumer behaviour, new product development, marketing strategies, and trade partnerships. Only by considering all of these things together would the company have an answer to its question: what was the best option for growth?

HiteVision's Channel Conflict Management New!

In 2015, HiteVision Tech Co. Ltd., a leading Chinese enterprise in the research and development and manufacturing of interactive educational flat-panel displays (IFPDs), faced a developmental bottleneck. The general manager of the commercial product department turned his attention from the educational to the commercial IFPD market. In early 2018, during the process of entering the commercial IFPD market, the company encountered a series of channel conflicts, which were resolved by adopting a multibrand strategy. However, after achieving initial success in the commercial IFPD market, the company encountered new channel conflicts. In early 2019, the company was facing a distribution problem and an e-business channel issue. The general manager again needed to find a solution.

Twitter India: At a Crossroads between Freedom of Expression and Social Responsibility New!

In February 2021, the Indian government announced new regulations to increase the accountability of social media companies for misusing their platforms in spreading fabricated news, misinformation, and obscene material. The new rules were not welcomed by some prominent social media companies, including Twitter. The giant microblogging network claimed that the new rules were designed to suppress freedom of speech among the citizens of India, one of the largest democracies of the world. However, Indian regulators argued that the new rules were required to prevent abuse on open social media networks. Twitter contended that it was self-regulated and argued that its users' voices should not be regulated because it would clearly amount to suppression of the right to free expression. In a changing political and legal environment, how could Twitter meet increasing demands from regulators to moderate content, while remaining aligned with its mission, vision, and ethical standards? Were

the self-regulatory mechanisms of social media companies adequately effective without interference from external forces?



Organizational Behaviour/Leadership

Memon Lubricants: Hiring a Sales Representative New!

On March 17, 2018, the founder and owner of Memon Lubricants, a Shell Pakistan Limited distributor located in Sukkur, Pakistan, was trying to find the best recruitment process to hire a new sales team. Memon Lubricants had just opened a second location in Khairpur, approximately 30 kilometres south of Sukkur. Several constraints that affected the process included a tight budget, limited availability of skilled and qualified candidates, and pressure to complete the recruitment quickly. Therefore, the founder wanted to adopt a more efficient recruitment process than the one he had used to hire a sales force at his first branch in Sukkur. He first had to identify the required knowledge, skills, and attitudes of ideal sales representatives. He then had to encourage appropriate candidates to apply for the positions. Generally, he had to improve the current recruitment process.

Mitch Landrieu: Using Communication to Lead Change in Racial Conflict Notable!

In 2015, nine black Americans were killed in a racially motivated shooting spree. The incident fuelled ongoing racial tensions in the United States and launched a conflict over the presence of Confederate memorials in public spaces. When the push to remove Confederate memorials began, the task for Mitch Landrieu, the mayor of New Orleans, was to deal with the city's notable Confederate monuments and the conflict they engendered in a city divided along racial lines demographically, economically, and historically. On May 19, 2017, Landrieu addressed the public. Students have the opportunity to evaluate the speech, consider why Landrieu chose this occasion to address the public, and determine what the speech reveals about his leadership character.

Australia and New Zealand Banking Group: The Agile Transformation Notable!

In May 2019, Australia and New Zealand Banking Group (ANZ) had paused rapid expansion of its massive agile organizational transformation, trying to make the existing program work better. ANZ announced the decision to take the bank agile in May 2017, moving from the traditional command-and-control, risk-based, and process-driven hierarchy to collaborative teamwork. Such decisions came after not only competitive pressures from the disruptive entry of financial technology companies but also a series of internal scandals. Would the agile transformation be a solution for ANZ to respond to these external and internal challenges? How could ANZ be successfully transformed, given its corporate culture that had been deeply rooted for over 180 years?

Newstar Magazine Exercise: Board Chair Role Notable!

In the Newstar Magazine exercise, participants are assigned one of three roles—managing editor, publisher, or board chair—and provided with information about personnel difficulties that have emerged at the independent Canadian magazine. The organization is small, financially strapped, and conflict has appeared within the magazine's leadership. The objective of the exercise is to understand the source of this conflict and ultimately to resolve it. Use with 9B17C050 and 9B17C051.

Zurich Insurance: Recruitment Notable!

Zurich Insurance was undergoing organizational change after implementing five new people practices focused on: manager development, diversity and inclusion, job model and data analytics, recruitment, and talent pipeline. The case Zurich Insurance: Fostering Key People Management Practices (417-035) provides background of the company and an outline of each people practice, as well as a description of how the company's culture was changing and how its allocation of resources was being examined as it tried to improve its position in the marketplace. This case takes a closer look at the adoption of new recruitment practices.



Operations Management

Evolko Systems: COVID-19 Pandemic and Business Model Pivot New!

In March 2020, Evolko Systems Private Limited encountered several strategic and operational effects resulting from the outbreak of the COVID-19 pandemic. The private health care technology company, which was based in California, United States, used artificial intelligence and machine learning to provide products and services to India's health care market. The company's chief executive officer had to mitigate risk from the pandemic using his company's business model and value offerings. The outbreak of the COVID-19 pandemic, which resulted in a lockdown order effective across all of India to slow the progress of the virus, affected some of the company's key business elements and had a macroeconomic impact on its operations. The chief executive officer's challenge was to explore all options to continue the business operations and to determine how to transform its physically interactive business model to one with little or no physical contact with clients.

Coats: Supply Chain Challenges Notable!

Coats, the largest thread maker in the world, transformed its business to digital colour measurement so that it could respond better to customer demand in the garment industry for rapid product cycles and more fragmented colour choices. Its embrace of digital colour measurement technologies enabled customers to drive ever shorter fulfilment cycles. But the company faced a monumental challenge in forecasting demand for the wide spectrum of colours and thread types, and it had shifted to an ABC inventory classification model for make-to-stock versus make-to-order products. The question at hand was whether it should

now consolidate some of its high volume make-to-stock manufacturing in an ultra-low-cost location while leaving the make-to-order products close to the customer.

Threadless: The Renewal of an Online Community Notable!

Threadless, an online apparel company and artist community which Jake Nickell founded in 2000, continued to maintain its status as a top company in the online apparel industry during its second decade. From 2010 to 2020, Threadless continued to operate its crowd-sourcing platform, while it transitioned away from traditional screen printing to a digital print-on-demand model. Concurrently, the company jettisoned its warehouse and built a worldwide network of manufacturers that could print and ship Threadless orders on demand. Threadless also launched a new platform called Artist Shops that allowed graphic artists to sell apparel in uniquely branded online stores, with the option of having Threadless manage their pricing and promotional events. The software Threadless developed to facilitate its manufacturing network and Artist Shops platform also led Threadless to increasingly view itself as a technology company performing intermediary services, rather than merely an online apparel company. The onset of the COVID-19 pandemic in 2020 accelerated the company's transition, triggering the sale of Threadless's office and a move to working from home. Nickell wondered what the next steps for the company should be.

JD: Envisioning the Future of Retail (A) Notable!

JD, China's second largest e-commerce company by gross merchandise volume (GMV) after Alibaba, had expanded rapidly from 2012 to 2016. When the company celebrated its 13th birthday in 2017, Richard Liu, its founder, deliberated on the company's growth strategies. The landscape of China's e-commerce market had changed drastically in recent years. The growth in the e-commerce market had declined significantly. Furthermore, the advancement of AI and big data was turning shopping into a boundaryless experience—consumers could purchase products tailored to their preferences anywhere and anytime. Finally, JD's rival, Alibaba, had made rapid moves to improve its logistics capabilities and expanded aggressively in the offline market. Liu must decide how JD should compete and how to expand the company's offline strategy.

Henry Spots a Problem at Sunshine O.J. (A) Notable!

Henry Franklin works at Sunshine O.J. (Sunshine), a three-year-old, fast-growing organic orange juice manufacturer near Charleston, South Carolina. Before his employment at Sunshine, Franklin worked for about two decades in his family's business, Franklin's Hardware. Franklin learned a great deal during his time in the hardware business and

hopes to use some of his insights to help Sunshine, which has been struggling to become profitable.

This A case introduces inventory generally and highlights differences between “last in, first out” (LIFO) and “first in, first out” (FIFO) accounting. Franklin's manager asks him to prepare a LIFO/FIFO analysis for Sunshine based on real data so that he can present it in a management meeting.



Sustainability

Richard Henkel GmbH: Growing Profits, Not Sales New!

Based in southern Germany, Richard Henkel GmbH was a manufacturing firm focused on its triple-bottom line rather than on its sales turnover. Driven by its sustainability ethos in both its products and its manufacturing processes, it saw itself as a champion of a post-growth, sustainable economy. The case pivots on co-managing director Susanne Henkel's decision concerning a lucrative sales order: the order would place significant stress on its existing steady-state manufacturing operations and potentially compromise its sustainability performance. In deciding whether to accept the order, Henkel had to confront a pivotal question: How much growth was necessary and sustainable, and how much was too much?

Spotify: Facing the Protestors' Music New!

Spotify Technology S.A. (Spotify) was facing significant problems with public relations due to artists' claims of poor treatment. They had accused Spotify of underpaying artists, obscuring its business practices, and being overly litigious. The objections reached a critical point with a union of creatives, the Union of Musicians and Allied Workers (UMAW), submitting a petition to Spotify and on March 15, 2021, protesting at its global offices. Spotify management must decide how to navigate this issue.

The Kiri Group: A Social Enterprise Tackling Poverty in Kenya New!

Makena Wanjiru, chair of Kiri Mount Kenya Conservation Network and Resource Centre (Kiri), wondered whether turning Kiri's loans business into a co-operative bank would be in the group's best interest. The challenge was to convince the rest of the board members of the idea. The board of directors would meet on July 18, 2019. Wanjiru had to draft a report before then explaining how the

idea was consistent with the group's current strategy and would benefit Kiri for years to come. Wanjiru also needed to consider strategies to grow Kiri's agribusiness beyond the Mount Kenya community.

Worldreader: Helping Readers Build a Better World Notable!

Founded in 2010, Worldreader was an international nonprofit organization that promoted reading to children around the world. For many years, Worldreader distributed e-readers to under-resourced communities and funded its operations primarily through philanthropic donations. In 2019, Worldreader launched the BookSmart mobile reading application, and soon thereafter came the idea of a new, self-perpetuating funding structure: the "flywheel." Worldreader aimed to charge schools and community-based organizations a \$6 monthly subscription fee per child to use BookSmart, with the goal of using earned revenue to sustain operational costs and using philanthropy to cover other strategic priorities. However, Worldreader soon realized that ability to pay varied greatly among potential "customers," leading to several exceptions to the initial price. The team also worried that the subscription hindered achieving scale and conflicted with Worldreader's ultimate goal of impacting millions of children. As Co-Founder and CEO David Risher and his team prepared for an upcoming meeting with UNICEF, which typically sought fixed-price contracts, they considered whether a price per-child, per-month would be acceptable. More broadly, they considered whether they had landed on the optimal price point and funding strategy - and the potential implications of pursuing earned revenue on Worldreader's ability to bid for international development grants.