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Business in Practice: Reflective journal on cross functional management and team work to lead a car manufacturing company towards performance and sustainability

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Abstract

This thesis offers a personal reflection and a detailed evaluation of a 6-year business simulation involving Curro Cars, an automotive manufacturer transitioning towards all-electric and a more sustainable business model. The simulation provided valuable understanding of my interactions within a cross-functional business environment and highlighted the importance of managing various business units for success in a company.

The first part of the thesis analyzes the performance of the Finance, Innovation and Marketing departments, while the second part focuses on personal learning derived from two critical incidents that offered significant teamwork lessons and career insights.

Keywords: Working In Teams, Business Simulation, Sustainable growth, Electrification, Coordination of decisions across business functions, Global Car Manufacturing, Finance, ESG and Sustainability, Personal learnings, Marketing Analysis

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SECTION 1 – Curro Cars's journey towards performance and sustainability

0. Introduction

0.1 The rise of sustainability within the car industry

"A momentous shift is occurring within the mobility sector as sustainability concerns accelerate and the internal combustion engine (ICE) begins to lose market dominance." (McKinsey 2022). The automotive industry is undergoing a transformative shift towards sustainability in response to climate change, consumer preferences, and regulatory pressure. Growing environmental issues have compelled companies to adopt more sustainable practices and prioritize green strategic investments. In this context, the automotive sector is experiencing a new era of change, driven by technological disruptions, increasing consumer demand for sustainable solutions, and stricter carbon emission regulations. The shift entails a transition from manufacturing vehicles powered by ICE and hybrids to producing battery-powered vehicles. For example, Volvo Car has guaranteed that all car launched from 2019 onwards will have an electric motor and aim to make all-electric cars 50 percent of global sales by 2025, with the rest hybrids.

0.2 Company overview

Curro Cars is a car manufacturing company with a portfolio of 5 traditional cars operating in three major regions: Europe, China, and the US. Our main competitors are company A, B and C. In the span of 6 years, the 5 different business functions (namely Finance, Marketing, Innovation, Operations and Human Resources) have tried to align their decisions to accompany the transition from producing conventional ICE to innovative and performant electric vehicles (EV).

We decided to call our company "Curro Cars" because "curro" means "speed" in Latin. Indeed, our company's strategic foundation revolves around cultivating a brand image centered on sportiness, innovation, and a youthful and modern spirit. With a clear objective of achieving

maximum profitability, our business approach acknowledges and responds to the market's aforementioned shift towards electrification. Research has proved that integrating sustainability into a business model fosters profits in the long term: “When companies focus their sustainability efforts primarily on material social and environmental factors, they significantly outperform the market.” (Porter 2019). Thus, Curro Cars is dedicated to reducing its carbon emissions both through zero-emission vehicles and its value chain, taking into account employees’ welfare, and reaching some of the Sustainable Development Goals (SDG), particularly goals 8, 9, 10, and 11: Decent Work and Economic Growth, Industry Innovation and Infrastructure, Reduced Inequalities and Sustainable Cities and Communities. (Appendix 1).

Curro Cars fulfilled those goals by adopting a strategic and adaptable approach, leveraging insights from results to drive corrective actions. Curro Cars achieved a remarkable value-added score of $3,563 million in Q28, growing slowly every quarter since Q14 (Appendix 2).

In this section, we will examine the decisions to achieve this growth and the results obtained during the 6-year simulation by discussing three roles: Finance, Innovation, and Marketing. All departments played an important part in the Business in Practice simulation. However, these three functions were considered of cardinal significance to the well functioning and high performance of Curro Cars.

1. Finance

“The financial statement analysis is essential to decrease the uncertainty of business analysis, because it reduces reliance on guesses and intuition for business decisions” (Babalola and Abiola 2013). Thus, the Finance department data are critical to analyze the performance of a company and make the decisions within the business simulation as realistic as possible. In this section, we will analyze in depth two aspects of the financial analysis of Curro Cars: its liquidity and its capital structure.

1.1 Liquidity

1.1.A FCF analysis

To analyze the liquidity management of Curro Cars, we will first have a look at its free cash flow (FCF), a measure of profitability that represents the cash available for the company to repay creditors and pay out dividends and interest to investors (Fernando 2023). We can see in the graph (Appendix 3) that our cash flow was rather negative in the 4 first years. This can be explained by the fact that the transition to EV needs a long investment phase demanding a high level of capital expenditure: the first year we spent only in the Innovation department $2,435M in product development (launching of 4 new cars) and $1,510M in other technological development (such as connectivity or automated parking) (Appendix 9). Moreover, Curro Cars requires bigger investments to follow its specific strategy of being innovative and sporty, which is why our cash flow were well below the benchmark for the automotive industry during the first year (Appendix 3). For example, in Q10, we decided to prioritize performance over price and invested in the most expansive battery. To offset those negative cash flows, we decided in Q4, Q12, and Q24 to reduce customer credit terms from 30 to 15 days: After analyzing our financial statements (Appendix 4), we prioritized affecting accounts receivable rather than accounts payable to increase the cash available to repay debts. In Q16, we opted to raise additional capital by issuing shares, amounting to $1,121M, leveraging the sustained growth of our stock price as a strong indicator of its potential further appreciation. This move aimed to improve our liquidity position, mitigating negative cash flows. Ultimately, we tried after the first year to follow a strategy of “Recreate capacity fund” (Riddiough and Wu 2009): we drew investment timelines to take big loans only when the previous one was redeemed, to avoid any liquidity crisis. Our liquidity strategy paid off: From Q21 onwards, our cash flow kept increasing every quarter, demonstrating the positive relation between early investments and incremental cash flow.

1.1.B - Liquidity ratios analysis

Let's now study Curro Cars liquidity management through the calculations of the liquidity ratios, to infer how quickly our resources can be converted into cash (Appendix 5). We can first notice that all three ratios have the same evolution, meaning that Curro Cars ratio of assets/liabilities fluctuates in the same direction, sign of economic stability. This conclusion is also evidenced by the positive values of our net working capital throughout the whole simulation (Appendix 4). Looking first at the current ratio, defining whether the company has enough cash to meet its short-term obligations using all its short-term assets (BarCharts, Inc 2016), we can tell that Curro Cars can comply with its short-term obligations. However, the car manufacturing industry's short-term assets always include a high level of inventory, which is not always liquid: thus, we computed the quick ratio, which removes inventory from current assets. We notice that even when doing so, Curro Cars is still able to repay its short-term debt. Nevertheless, it should be mentioned that both ratios have values much higher than 1 every quarter, which means that even though Curro Cars liquidity management is solid enough to support its short-term obligations, it might not be optimal as it infers opportunity cost: if the company is resting on a significant amount of cash, this idle cash could be better invested in the business or investment schemes to earn interest or returns (Cortes 2021). However, when we observe the cash ratio, we notice that in Q10, Q12, and Q14, Curro Cars doesn't own enough cash to meet its obligations, which can be explained by the fact that in those three quarters, Curro Cars had to redeem a total of $9,000M to offset its earlier investments, strongly affecting our cash available.

In summary, it is evident that Curro Cars exhibits effective liquidity management, showcasing positive free cash flow following the investment phase, with high liquidity ratios. Nevertheless, prudent caution is advised, considering the capital-intensive nature of the car manufacturing industry, demanding significant cash reserves and investments.

1.2 Capital structure and cost of capital

1.2.A Alternating debt and equity

One crucial financial factor, equally vital to effective liquidity management, in maximizing the value added by any company, is selecting a capital structure that aligns with a firm-specific business model and strategic objectives. Capital structure refers to a company's long-term financing mix of debt, equity, and other financial instruments employed to support its operations and investments (Myers 2001). The car manufacturing industry often has a high proportion of debt in its capital structure compared to other industries due to the significant capital investments required for research and development (R&D), and production facilities. Curro Cars follow this general trend: In the 4 first years, the debt ratio of Curro Cars slightly oscillates between 44.3% and 48.9%. This can also be explained by our desire to maintain the ownership of our company, to keep track of our financials (as it is easier to predict loan repayments than the fluctuation of share price) and achieve tax shield. According to the Modigliani Miller theorem with taxes (1958), firms utilizing debt leverage have an advantage due to the deductibility of interest payments, resulting in lower tax liabilities. We blended debt financing through bank loans and green bonds, as they have a lower interest rate (3% compared to 4,75% for long-term debt in Q28), reducing our cost of debt, and consequently our overall cost of capital, and aligning with our strategy of fostering sustainability. However, near year 4, as our FCF were always positive, we tried to rely less on debt and started issuing shares in Q16 for $1,121M : “In reality, there is a limit to the amount of debt a company should have because an excessive amount of debt increases interest payments (deterioration of credit rating), the volatility of earnings, and the risk of bankruptcy” (Bradley 1984). Thus, we tried to have a fair balance between debt and equity, to maintain a high credit ranking and lower as much as possible our cost of capital.

1.2.B WACC analysis

The cost of capital is the minimum return on an investment required by a company for the investment to be considered worthwhile. Cost of capital is determined by weighing the cost of financing the purchase of an asset using equity, debt, or a combination of the two (Miller 1958): this combination is the weighted average cost of capital (WACC). We can observe that the WACC of Curro Cars is extremely similar to the industry benchmark all along the six-year simulation (Appendix 6). It started at 7,5% and decreased very slightly but steadily until Q26, reflecting our long-term strategy. It decreased more rapidly until Q28 to reach 6,5% since in Q27, we decided to perform a buyback of shares worth $2,896M, increasing the debt-to-equity ratio and consequently lowering the cost of capital, as the cost of debt is lower than the cost of equity. Thus, the continuous decrease in the WACC can be attributed to the combination of thoughtful decisions across the different functions throughout a comprehensive business plan, and of financing based on debt. In the context of the business simulation, Curro Cars WACC served as the discount rate to calculate the Net Present Value (NPV) of the business and evaluate investment opportunities. For example, in Q12, the Marketing department had the opportunity to choose between two advertisement projects: either a product placement in a movie or a celebrity endorsement. The Finance department calculated the NPV of both projects using the WACC of Curro Cars to obtain the most reliable analysis and generate the most profits: We voted for the placement in a movie, worth $5M investment, as it had the highest NPV. This concrete situation is an example of how business functions are interconnected, and especially how finance must deal with all the other roles: as different options are presented to the other departments, it is the Finance department that determines the opportunity cost, decides which projects are most suitable for the firm’s profitability and how much funds should be given to each project or department.

2. Innovation

Innovation is an essential means by which organizations survive and thrive. It contributes centrally to economic performance, corporate competitiveness, and environmental sustainability (*The Oxford Handbook of Innovation Management* 2013). Effectively managing the Innovation department was pivotal to Curro Cars' success. Within the business simulation, the Innovation director held two key roles: developing company features and launching new cars, both of which will be thoroughly examined.

2.1 Curro Cars R&D

2.1.A Innovation journey towards performance and technology

As our company essence is based on being sporty and performant, the Innovation department's decisions were crucial to the success of Curro Cars strategy. We continuously invest in new technology and advanced features, striving to keep up with the latest advancements in the industry. Since many technologies are interconnected, we closely follow the latest developments to stay competitive in the automobile manufacturing world and always offer the most performant cars compared to our competitors A, B, and C. In Q28, at the end of the simulation, we observe that Curro Cars has the most developed features, both in terms of connectivity, battery range, and autonomous driving (Appendix 7).

Curro Cars decided to invest massively right from the start of the simulation until year 2 (Appendix 8 and 9): between Q4 and Q9, we invested a total of $1,835M in features development. Then, we decided to invest in much smaller amounts, and spaced our investments: we made a short break for two quarters as we needed to save funds to redeem a $3,000M loan in Q10, invested again $700M in Q12 and 13, took a longer break for 3 quarters and invested $400M. Thus, by the beginning of year 4, we had all the latest technologies to make our EV the most performant in the market. The strategy was to have the time to observe market reactions, analyze evolution of our cars as we added them different new features, and

possess the most performant cars as early as possible to focus later on sustainability. We invested in three different areas: Electrification, Connectivity, and Autonomous Driving. We calculated investment timelines so that each year, we could add one more level to each area (Appendix 9). The investments we make at every level will enhance the customer experience and increase the likelihood of individuals choosing electric vehicles. Electrification level included home charging stations: By allowing users to charge their electric vehicles inside their homes, we offer a convenient solution that eliminates the need for parking them outside. This added service not only benefits our customers but also presents an opportunity for our company to provide an extra value-added offering. Similarly, incorporating connectivity and autonomous driving capabilities both enhances a car's performance and significantly simplifies the consumer's life. For instance, driver assistance features make long drives more convenient and safer. Indeed, according to a recent technical report by the National Highway Traffic Safety Administration (NHTSA), 94% of road accidents are caused by human errors (Yurtsever et al. 2020). Chevrolet, one of the divisions of General Motors, to enlarge its market created the option Super Cruise: the first true hands-free driver assistance technology for compatible roads, being offered on several Chevy vehicles. Curro Cars would like to follow the same logic.

2.1.B Innovation journey towards sustainability

Combined with investments in those highly advanced technologies should be mentioned our investments in sustainability and CSR (Corporate Social Responsibility) through the Operations department and the Human Resources department since innovation and sustainability are intimately connected (Sakr 2017). Just as Curro Cars prioritizes the best performance features at every level, we are committed to achieving excellence in sustainability by addressing emissions comprehensively across all scopes. We aim to reduce direct emissions (Scope 1) from our company-owned resources, minimize indirect emissions (Scope 2) associated with purchased energy, and actively manage all other value chain emissions (Scope

3) to promote environmental responsibility and contribute to a greener future. Similarly, Curro Cars investments from the HR department promote environmentally responsible practices and foster a sustainable workplace culture, consequently empowering the Innovation department to operate more efficiently and smoothly transition towards EV. Those CSR investments made gradually between Q5 and Q18 amounted to $1,630M (Appendix 11). They were fruitful as the emissions of CO2 decreased massively in both production and energy (Appendix 12 and 13). The successful achievement of sustainability at Curro Cars highlights the vital importance of cross-functional management, as the collaboration between the Innovation, Operations, and HR departments was indispensable in driving the company towards a greener future.

2.2 Curro Cars Product development

2.2.A Original Portfolio

The strategy of Curro Cars Innovation department is based on a slow but steady growth: we aim to reach electrification in the long term. However, as it requires very strong investment to completely change a company products portfolio, we did not rush our transition to EV, to reap the most benefits and amortize costs from transition (National Research 2010). Moreover, as the essence of our brand is to sell sporty cars, we were afraid that if we didn't switch to electrification (which is strongly associate to green strategy and sustainability) progressively, we will not have the full adherence of our customers. We wished from this transition to gain new customers while retaining our initial base. Thus, we evaluated the Product Life Cycle of our existing portfolio, and we kept our original conventional cars until Q13, when they reach decline between 120% and 160% (Appendix 14). We even relaunched one of our conventional cars, the convertible Air 135G, in Q12, and only ended it in Q20, to keep producing one of our original cars as it had the highest revenues in Q11 (Appendix 15). Indeed, we based all of our product-development decisions on the profit and loss reports per car produced by the Finance department, on the data about customers preferences generated by the Marketing department,

on the data about employees generated by the Human Resources department, and finally on the factory utilization given by the Operations department. We noticed that innovation is at the heart of the management and needs to cooperate with all the departments for Curro Cars to succeed.

2.2.B New cars

To be successful at this point in history, a corporation's senior leaders had to see their business issues and competitive challenges in terms of multiple strategic horizons (Baghai, Coley, and White 1999). The three horizons framework provides a structure for companies to assess potential opportunities for growth without neglecting performance in the present (Mc Kinsey 2009). To launch our two first cars, our strategy falls into horizon 1. We improved and optimized our original products, as we already had a hybrid car, the Lux 225H, but launched two hybrid cars with extended features: the Porto Executive in Q4 for $590M and the Faro Convertible in Q5 for $695M. Their emissions were respectively 96 and 100 g/km (Appendix 10), while the Lux 225H was significantly higher (150 g/km). The intention was to start reducing our CO2 emissions, as hybrid cars pollute less than diesel engines, while not jumping too quickly to EV production. Finally, in Q7, we reached horizon 3, consisting of launching visionary products, and started electrification (Appendix 14). Until Q9, we launched one model per quarter: Pico E, Douro E and Sintra E, each of different type (respectively Compact, SUV and Luxury) with Autonomous Drive and Connectivity between I and II, and a battery range between short and medium. The goal was to reach as many different targets as possible while keeping our sporty spirit. In Q12, we launched an electric version of our hybrid Faro, to retain our client who liked this model while attracting new customers interested in EV. To evolve beyond our initial core brand identity through innovation, we introduced the Dao E - a micro model, less sporty and high-performance variant, yet more affordable and accessible. Starting Q15, we launched our “Plus” models: We conceived an upgraded version of every car we had

in our portfolio. They all have connectivity and autonomous drive level III and IV, and a high battery range. The exception is the Pico E Plus, as we wished to produce one high-technology but more accessible model. We inspired this concept of higher features models from Audi. The Audi A3 is a compact luxury sedan, serving as an entry-level model. The A4 is a midsize luxury sedan, offering more interior space and advanced features, while the A5 adds a sportier design, and the A6 is a larger and more luxurious midsize sedan known for its premium features and refined driving experience.

3. Marketing

When people think about marketing, they often associate it with advertising like TV commercials, newspaper ads, or billboards. Yet, marketing goes beyond just grabbing attention for products. Essentially, it's about nurturing connections between those who create products or services and those who buy and use them (“Marketing.” 2021). Within the business simulation, marketing stands as a vital pillar among the five functions, acting as the foundation for all other departments. The Marketing director plays a key role by sharing important insights that guide other teams' choices. This person can also learn about competitors, helping the team come up with ways to stand out in the competition. We will now deep dive into Curro Cars Branding and Marketing Mix.

3.1 Curro Cars Branding

Curro Cars' product is designed around a dynamic and innovative image, emphasizing sportiness while also embracing environmental consciousness and sustainability. This approach extends to prioritizing employee and customer satisfaction, reflecting the company's holistic commitment to excellence. We want to create a proximity with our clientele: As a strategic marketing approach that resonates with consumers, we named our car models after different cities of a country. This naming strategy can evoke a sense of familiarity, identity, and a sensation of traveling among potential buyers, as they associate the car brand with the

places they know and love. By naming models after cities, the car company creates a unique and relatable narrative, fostering an emotional connection between the consumer and the product. This approach can also differentiate the brand in a competitive market, making it stand out and facilitating easier recall for potential customers. Our inspiration draws from iconic Chevrolet models: the Chevrolet Bel Air captures the essence of the American dream, while the Chevrolet Tahoe evokes visions of expansive blue lakes and California skiing adventures. The Chevrolet Monte Carlo embodies style and speed, while the Chevrolet Colorado reflects the outdoor spirit of a Western state, complete with off-road capabilities. Lastly, the Chevrolet Malibu is designed to evoke images of surf, sun, sand, and a relaxed, laid-back lifestyle. (Kimes and Ackerson 1986)

3.2 Curro Cars Marketing Mix

During the first quarter, the marketing team planned a comprehensive marketing strategy. They carefully studied the situation and looked for opportunities in different areas: the environment, customers, the company itself, competition, and partners. This analysis coupled with a focus on the 4P, the theory grouping the four major areas of the marketing mix: Price, Product, Promotion, and Place (Kotler and Dubois 1984). “The marketing mix can be defined as a combination of all the factors which managers may leverage to satisfy market needs” (McCharty, 1964). It helped us understand what's happening inside and outside the company, enabling us to find ways to improve and explore new chances in the industry.

Price: Our pricing strategy was initially to set car prices at 75% of maximum price possible, allowing us to balance between affordability and perceived value. By setting an attractive price below the upper limit, Curro Cars can attract more customers and increase sales potential. Nevertheless, it became apparent to us that customizing our pricing for each vehicle was essential, given the distinct development of each car and the unique financial and production demands of each quarter. As an illustration, during Q16, we took a bold step to significantly

lower the price of our first electric car, Pico. This decision was driven by an excessive inventory of the model due to its aging status.

Product: As mentioned above, our products are cars that are performant, innovative, and sustainable. We concluded with 10 diverse electric models among 6 distinct categories. Notably, each model features an enhanced "Plus" version, designed to capture different consumer willingness to pay. However, to diversify from our typical portfolio of sporty and large vehicles and captivate a new customer segment, we created Dao E, a micro model. A real-life comparison is the Mini Cooper, launched when BMW acquired the Rover Group in 1994 (Laursen and Barros 2022) and introduced the smaller and more city-oriented Mini variant, distinct from their usual larger cars.“MINI captured for the BMW Group 220 000 customers a year that they would never had access to before. They didn’t have a car that fitted that specific need in the marketplace.” (Schnell 2010)

Promotion: Curro Cars used a mix of marketing approaches, including customer promotions, POS, training, services, print campaigns, and TV campaigns. In Q7, we invested in a TV campaign; in Q12, we had a product placement in a movie. In Q17, we balanced our investment across all promotions (Appendix 16). In Q22 and Q25, we significantly increased spending on all fronts to boost sales. Initially, Curro Cars allocated a high 2.7% of car revenues for marketing expenses. However, this strategy, like pricing, needed tailoring to each car. Increasing marketing expenses didn't always lead to proportionate profit growth. A graph (Appendix 17) comparing marketing expenses and net income, which represents profitability, shows that higher marketing spending didn't always translate to significantly higher net income. In some cases, it even decreased (e.g., Q20 to Q21).

Place: In the simulation, Curro Cars manages its distribution through strong connections with car dealers. It operates worldwide across three continents, with a well-organized distribution network that matches customers' preferences. In Europe, Electric Compact, Executive, and Lux

vehicles are popular, while in the US, Convertible vehicles shine. Yet, it's worth noting that in the simulation, Curro Cars has the liberty to decide where to produce, not where to sell. In the real business world, however, selecting the optimal selling location holds paramount importance for a company's triumph.“Companies should sell the right product to the right customer at the right place” (Armstrong et al. 2014).

Conclusion

Collaboration across departments is crucial because how well teams perform directly affects how the whole organization performs (J. Katzenbach and Smith 1992). Choices in one department affected others directly. When Operations changes production, it impacts staff needs. HR has to provide sustainability training for employees to allow Operations to invest in eco-friendly projects. In a similar way, Innovation needs data from different departments to create better cars, while Marketing teams up with Innovation and Operations to plan prices and customer loyalty strategy. This synergy facilitated Curro Cars achievements. Curro Cars was successful in terms of sustainability: HR, Operations, and Innovations jointly pursued sustainable policies, elevating green capex ratio from 6.53% to 46.82%. Guided by ESG goals and the three-pillar of sustainability model, our ambitious goal of becoming a 100% electric and carbon-neutral company was achieved. In terms of performance, we concluded with a 100% customer satisfaction rate, the highest added value among our competitors, and $8,634.5M revenues, much above the industry benchmark. Furthermore, each of our cars attained the highest ranking in sales compared to its counterparts. Nevertheless, one should remember that attaining these outcomes was a result of a long-term plan, involving numerous adjustments and learning from the mistakes we encountered along the way.

SECTION 2 – Personal Reflection

Introduction

A study made on 1117 athletes aged between 16- and 43-year-old revealed that players who perceived higher levels of athlete leadership quality in the team, also reported higher values for teamwork execution and characteristics of resilience and lower values in vulnerability under pressure (López-Gajardo et al. 2023). I have the feeling that this applies perfectly to my personal development through Business in Practice (BIP): just as athletes benefit from strong leadership, teamwork execution, and resilience, I too found these aspects integral to my growth during the BIP program.

During the intensive three-week simulation, I not only expanded my knowledge across various subjects but also applied theory in practical situations, resulting in a holistic learning journey. Yet, the most demanding and fulfilling accomplishment I gained from the program was understanding effective teamwork. However, it's worth noting that there were challenges embedded within the business simulation. First, our management team is quite diverse: we are from Italy, France, Israel, Germany, and Portugal which means we had to adapt to everyone's different culture. As Meyer mentioned in his book, bringing people of different cultural background increase the likelihood of miscommunication and misunderstanding (Meyer 2014). More than being culturally different, we also had very different personalities, which I will elaborate on in this section. Secondly, to my opinion, Business in Practice was extremely different from any group work I had encountered previously. While conventional group assignments often allow for task division and individual or small-group contributions, the simulation demanded that every decision be collectively made, emphasizing the critical role of communication.

In this section, I will elaborate on two critical incidents that serve as representative examples of those challenges: The first one illustrates how the divergence of personalities affected

organizational structure and created an imbalance in voice during debates. The second incident delves into my anxiety surrounding my role's performance and how emotions played a role within the simulation.

1. Incident 1

1.1 What happened?

During the three-week business simulation, engaging in the decision-making process within my team proved to be quite overwhelming. Our group was made up of individuals with strong motivation and dedication, which was truly appreciable and enjoyable to work with. However, the mix of high energy and assertive personalities, often rendered our discussions electrifying and intense. This gap can be understood by the Insight Discovery Model (Appendix 18): As a "blue" personality with a strong affinity for precision and analysis, and with a very high tendency to green which makes me calm and sensitive, my more introverted and contemplative personality contrasted with the "red" and "yellow" personalities of my teammates, who were more assertive and outgoing. This divergence in personality traits created two significant issues during our deliberations.

Firstly, to my opinion, the occasional lack of organization in our discussions posed a challenge: We were taking every decision altogether without a clear order, preventing us from thoroughly exploring crucial details and potentially affecting the depth of our decisions. It often felt like without a clear system to track each decision and a commitment to assigned roles for collective decision-making, valuable information was slipping through the cracks. This rapid and unstructured pace made it challenging for me to stay aligned and effectively contribute. In fact, when we built our team charter at the beginning of the simulation, to understand our company values and missions, as well as strengths and weaknesses, the lack of structure was one of the challenges that became clearly apparent to us (Appendix 19). For instance, when the decision pertained to our Finance department – my own domain – I found it much easier to engage

actively. I felt at ease contributing, thanks to my familiarity with the simulation panel and the theoretical insights gained from my coursework throughout the year.

However, the scenario shifted when it came to determining the optimal location for a new factory, a matter of the Operations department. I didn't really know what relevant data I should base my decisions on, and this made me feel very insecure and illegitimate to formulate an opinion.

Secondly, I found it quite challenging to raise my voice within the discussions. Given my naturally calm disposition, the lively debates often left me uncertain about when and how to contribute. Both knowing when to speak up and expressing dissenting opinions were tough for me. To illustrate, let's consider the discussion during Q14, where the choice was between a more affordable Microcar that didn't align well with our strategy based on sportiness, and a pricier yet more in-demand E-Bizz. My inclination was to prioritize our strategy even if it meant higher production costs. However, since the majority leaned towards the Microcar, I felt a bit hesitant to voice my viewpoint and ended up staying quiet. This pattern of being a listener rather than an active participant recurred during the simulation. I was fearing that my lack of communication would be interpreted as a lack of commitment.

1.2 Responses

At first, I thought there was no need for clear actions, that time and practice would naturally lead to a better understanding of our tasks, as this was a new endeavor for me. However, it became quite quickly evident that improvement wouldn't be significant without an open dialogue within our team. This was especially true regarding our lack of structure and my own hesitations during decision-making discussions.

As the simulation grew more demanding each quarter, I started wondering about their perception of my silence. I assumed they might think I lacked dedication. A pivotal moment came when the results of the peer assessment were revealed (Appendix 20). To my surprise,

they agreed on my contribution to the team but there was a large gap regarding expecting quality and keeping the team on track.

That's when I decided it was time to voice my thoughts. Gathering my courage, I inquired about their views on my reticence. I told them that we were taking all the decisions without clear order and not staying assigned to everyone's role. I explained that given their strong personalities, I found it challenging to actively engage in debates. Nonetheless, I wanted them to know that I was attentive and committed to the simulation.

To my surprise again, they were very kind and understanding. They, too, recognized the differences in our personalities but assured me of their confidence in my commitment. This was incredibly relieving; I felt heard and understood.

Consequently, I suggested that we establish a structured discussion process. Whenever decisions were to be made about departments I wasn't directly involved in, I proposed that relevant data should be shared. The Operations director crafted a decision-process table that we updated every quarter, guiding our decision-making and ensuring accountability (Appendix 21). This newfound structure provided a much-needed sense of stability.

In terms of my own reticence during debates, it was heartening to find that I wasn't alone: another team member shared similar reservations. In response, the team proposed a solution: a reserved time at the end of each decision for those of us who were quieter to contribute. This initiative significantly boosted my confidence and made me feel safer to participate. For example, in Q27, we needed to increase demand so that we could sell a car that we wanted to get rid of. One of my team members suggested to increase marketing but I thought that in this context, it was more suitable to decrease price. During my dedicated time, I decided to speak up and explain my disagreement. My team was very attentive and, two of the other members agreed with my idea.

1.3 Learnings

This incident taught me the significance of clear and open communication, as well as the complexity of accommodating diverse personalities within a team dynamic. When I reflect on it, I recognize that I should have openly shared my sentiments the moment I sensed something was wrong – both concerning the absence of structured processes and my apprehension to engage in debates. If I hadn't held onto these thoughts for such a long time, the issue could have been addressed far more promptly. This experience has proved me that one can never truly understand another's perspective until they talk it through. It emerged that contrary to my assumptions, my team perceived me as diligent, while also comprehending my introverted inclinations. Furthermore, it came to light that another team member had identical sentiments. Had I not initiated the discussion, he might have refrained from voicing his thoughts as well.

“As people listen to the responses of others and offer their own, they will develop not only a better understanding of their colleagues but also greater self-awareness” (Toegel and Barsoux 2016). This rings particularly true in our scenario, where I realized that active engagement and expressing my thoughts, even when they differed from the majority, contributed not only to better decision-making but also to my personal growth.

Furthermore, I've learned that teams can reduce the potential for dysfunction by establishing clear norms—rules that spell out a small number of things members must always do (such as arrive at meetings on time and give everyone a turn to speak) and a small number they must never do (such as interrupt) (Haas and Mortensen 2016). Our team's implementation of a structured table process and reserved time for quieter members to contribute exemplifies the application of such norms. This approach not only created a more inclusive environment but also improved the quality of our decisions.

2. Incident 2

2.1 What happened?

During the initial three years of the simulation, I experienced a significant level of stress in my role as the Financial director. Several factors contributed to this feeling of unease.

Firstly, my background mainly consisted of theoretical knowledge in finance, and I lacked practical experience. My introverted personality made me question whether I could handle the role effectively.

Another source of stress was the continuous decrease in our value added and revenues until year 3. As the head of the Finance department, I felt a strong sense of guilt for this decline because my other team members would ask my department to interpret the decline, as we are the ones who analyze figures. I knew that our strategy was to make strong investments in the first phase and reap the benefits at a later stage, but I was unsure about the outcome of the investments. Unlike academic work, where things are more certain, the simulation's inherent unpredictability created pressure, aligning with the observation that uncertainty can lead to stress (Sartain and Katsarou 2011).

Additionally, as the department responsible for deciding on which projects to invest in, I found it challenging to make decisions. Saying "no" to one department was difficult as they sometimes looked upset or disappointed, but even more so was the task of choosing between departments when I had to say "yes" to one and "no" to another. This was particularly challenging due to my inclination towards being emotional and empathetic, as I have a strong tendency to the green color in the Insight Discovery Model.

The stress was further enhanced by a co-leadership structure in the Finance team. Collaborating with another director, while advantageous in theory, sometimes led to coordination challenges and increased stress. This reflects the idea that collaboration can be both beneficial and challenging, as discussed by Noonan Hadley, Constance, and Mark Mortensen (2022).

2.2 Responses

As we progressed through the simulation, I gradually recognized a boost in my self-assurance and leadership abilities. This new confidence allowed me to navigate my finance role and decision-making responsibilities with greater ease. Additionally, I found valuable insights in the Leadership in Practice workshops led by Miguel Fernandes, our professor for Leadership and Team Dynamics. These sessions provided a theoretical perspective that helped me address my apprehensions.

The concept of courage, a key attribute of effective leaders, resonated with me as we opted for substantial investments. Explaining the initial low-added value to my team members became more manageable as I felt more assured in my role.

The insights from the behavioral theory, which emphasizes the development of leaders rather than a predetermined disposition, resonated with my journey. Understanding how emotional intelligence aids in managing emotions, both our own and others', illuminated the importance of saying "no" within the decision-making process. This realization reframed my perspective, helping me perceive it as a constructive step towards enhancing our company's performance rather than a punitive measure.

Initially, I sensed some discomfort from my peers when I had to decline their requests. However, as our financial performance steadily improved after the third year, I observed a shift in their understanding. This experience proved me the dynamic nature of leadership and the positive impact of effective decision-making on team dynamics.

Regarding my apprehensions about sharing the Finance role, a noteworthy moment emerged during one of the simulations when Antonio, my fellow Finance director, said "Sorry if I was too bossy on you." Interestingly, I hadn't perceived his behavior as overbearing; rather, my anxiety stemmed from a lack of clarity regarding our respective tasks. Recognizing a potential disconnect in our perceptions, I opted to initiate a conversation with him. During our

discussion, it became evident that our feelings differed. Antonio didn't sense the need to divide responsibilities evenly, while I had a feeling of uncertainty about task allocation. In a collaborative gesture, he offered to establish a more balanced division: he would oversee the financial statements, and I would handle the profits and losses. Additionally, we agreed to jointly deliberate investment decisions. This structured approach brought me a sense of assurance and clarity, washing away my concerns.

2.3 Learnings

From this incident, I've learned several important things. Firstly, when you start in a new place, time is needed to adapt to situations. Initially, I had underestimated the significance of this adjustment period. However, as I navigated the challenges within my Finance role and team dynamics, I realized that granting oneself the space to acclimate and learn is not only acceptable but also essential for effective growth and performance.

I also learned that I made a mistake by letting my feelings get mixed up with my job. When the numbers didn't go well, I got too upset and emotional. Now I realize that I should have stayed professional and understood that it's normal for teams to face failures as part of our strategy. I found out that traditional models of team development say that during early phases of their activity, teams might not work very well. They're trying to learn about different requirements, constraints, resources, and methods that might (or might not) be useful to the task at hand. (Ford and Sullivan 2004). Instead of focusing on things I couldn't change, I should have focused on controlling what I could.

Another big lesson was that my team wasn't being mean when they acted the way they did, by asking me why our added value was decreasing. They were actually showing accountability, which is when team members hold each other responsible for their actions, behaviors, and performance, by talking about mistakes. It is a fundamental for effective teamwork according

to the book "Five Dysfunctions of a Team" (Joosr 2015). It turns out that accountability is a big part of making everyone do their best and keeping high standards.

Looking back, I see that my team wasn't blaming me; they were trying to make us better together. This was something I didn't understand at first. So, now I know that adapting to new situations is important, emotions should be kept separate from work, and teams need to hold each other accountable to do their best.

Conclusion

Looking back, my participation in the Business in Practice program has truly been a transformative journey, shedding light on essential elements of personal and professional growth. The various situations and obstacles I faced during the program have served as invaluable teachings, providing me with a deeper grasp of the importance of teamwork, clear communication, and self-awareness. Moreover, the insights gained from the Leadership and Sales workshops have played a significant role in helping me uncover my true abilities, realize my strengths, and utilize emotional intelligence to shape the kind of person I aim to become in my professional career. Additionally, these workshops have equipped me with valuable skills that enhance my ability to collaborate effectively within a team setting.

"Not finance. Not strategy. Not technology. It is teamwork that remains the ultimate competitive advantage, both because it is so powerful and so rare." (Lencioni 2002) This is how Patrick Lencioni opened his best-selling book, The Five Dysfunctions of a Team, and I believe it is a great summary of how I feel about this experience. Indeed, high-performing teams go beyond just excellent work products — they also create growth opportunities for members and the kind of culture that people can't wait to join. (Noonan Hadley, Constance, and Mark Mortensen. 2022). As a cool blue energy with a strong inclination towards earth green (Appendix 18), my personality is marked by attention to detail and empathy, often leading to increased concerns about work structure and interpersonal interactions. The peer assessment review (Appendix 20) further emphasized this point, revealing areas where my interactions within the team, keeping the team on track and ensuring quality still offer opportunities for improvement. While my contributions and skill set have certainly advanced, the Business in Practice program has equipped me with the tools needed to address these areas of growth and refine my collaborative abilities.

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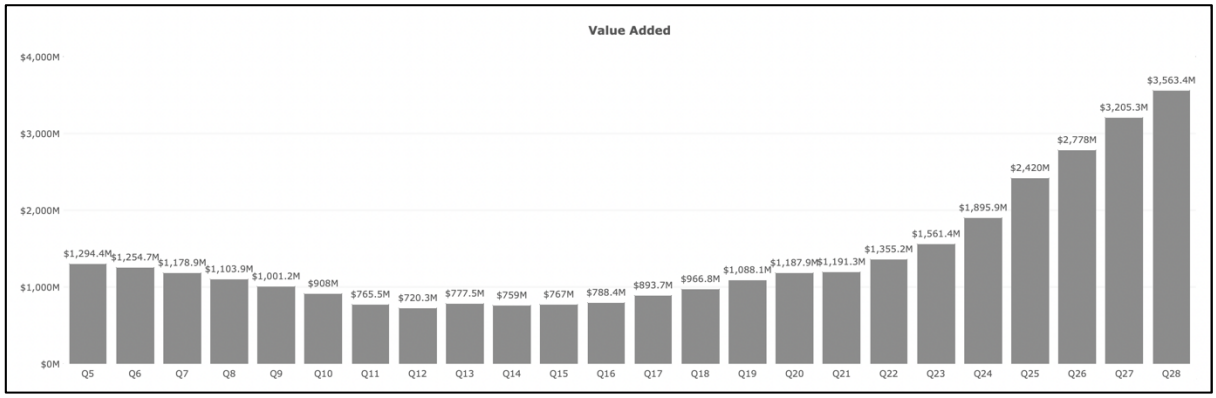
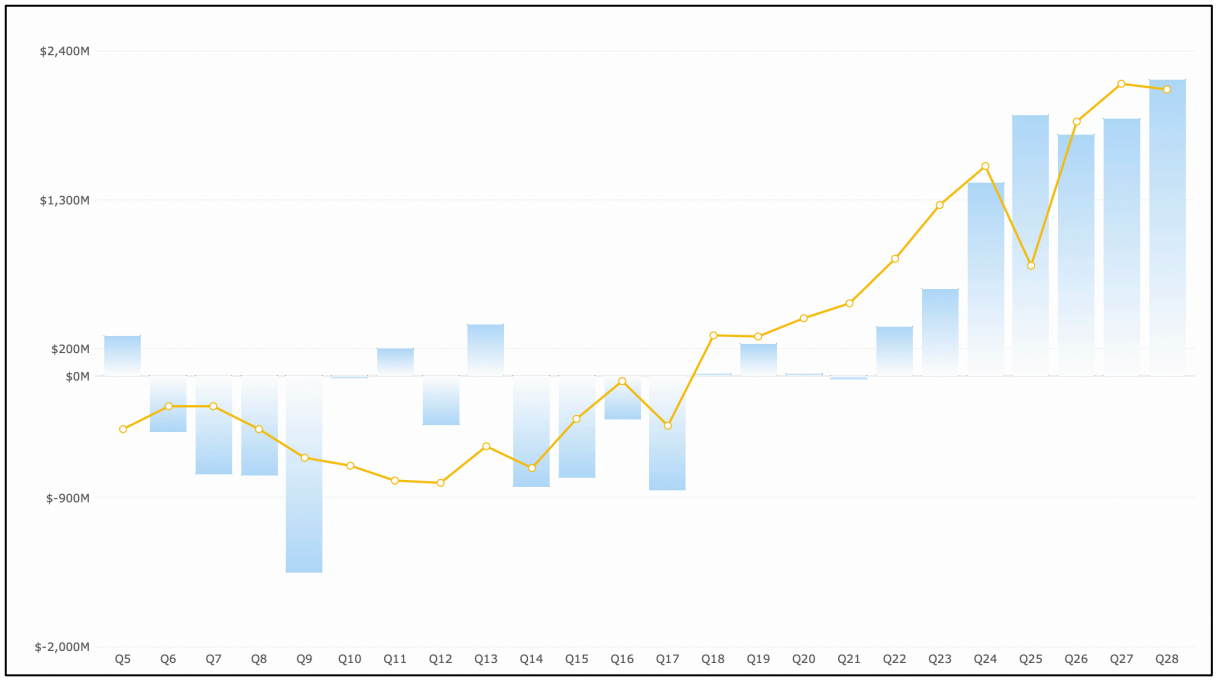
Appendix

Appendix 1: The 17 United Nations Sustainable Development Goals (SDGs)



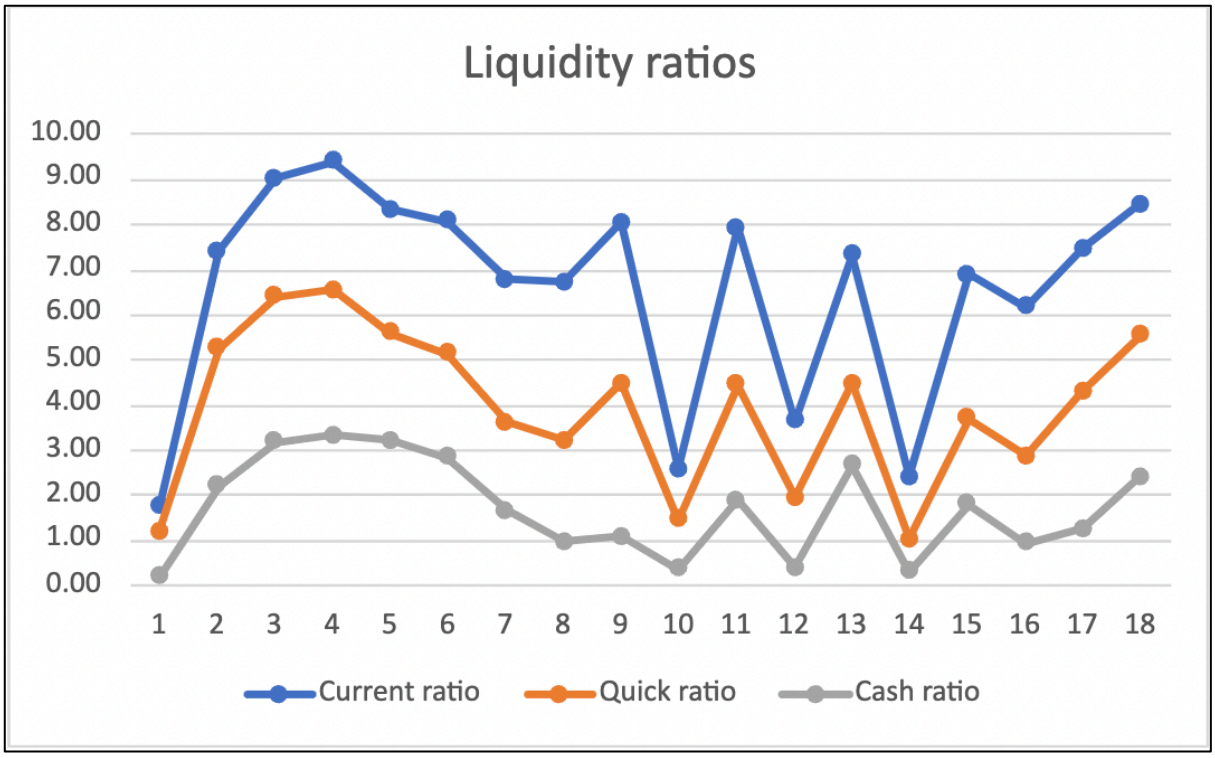
Appendix 2: Value Added of Curro Cars



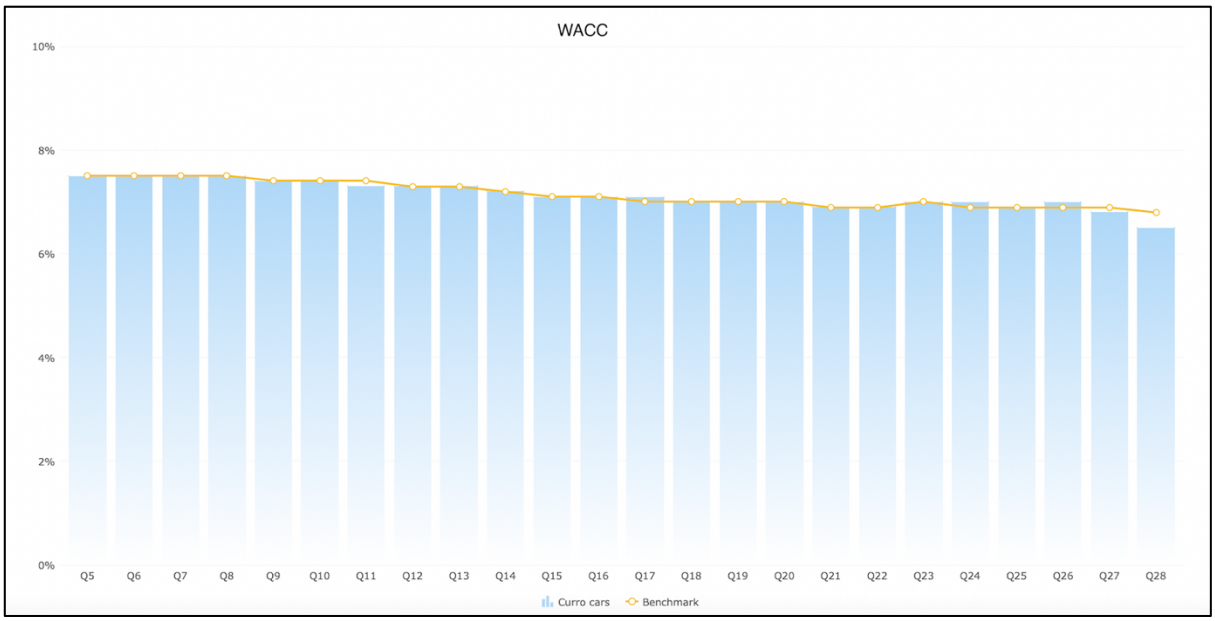
Appendix 3: Curro Cars Free cash flow (FCF) evolution and its benchmark

BALANCE SHEET Quarters	6	7	8	9	10	11	12	13	14	15	16	17	18	19	20	21	22	23	24	25	26	27	28
Assets																							
LT Assets	15,310,184	16,106,927	16,787,409	17,578,703	17,985,160	18,105,053	16,287,152	16,100,660	16,856,467	17,590,999	17,852,388	18,273,356	18,906,178	18,626,178	18,883,670	19,131,646	18,774,062	17,816,188	17,300,984	17,769,617	17,192,089	16,598,309	0
PPE	10,660,184	11,481,927	12,187,409	13,003,703	13,435,160	13,580,053	11,787,152	11,625,660	12,406,467	13,165,998	13,452,387	13,898,355	14,556,178	14,301,178	14,583,669	14,856,645	14,524,062	13,591,188	13,100,983	13,594,617	13,042,088	12,473,309	
Land & Buildings	4,650,000	4,625,000	4,600,000	4,575,000	4,550,000	4,525,000	4,500,000	4,475,000	4,450,000	4,425,000	4,400,000	4,375,000	4,350,000	4,325,000	4,300,000	4,275,000	4,250,000	4,225,000	4,200,000	4,175,000	4,150,000	4,125,000	
Current assets	7,205,949	7,016,139	6,934,705	8,002,991	7,600,230	8,061,568	6,765,841	8,737,126	6,585,429	8,024,706	7,331,679	8,614,743	9,605,516	10,105,291	8,056,749	9,731,421	8,361,111	8,924,336	8,919,325	9,477,455	7,560,058	12,938,296	0
Cash & Cash equivalents	2,535,098	1,722,720	1,004,550	1,074,876	1,103,000	1,939,068	741,800	3,185,716	815,600	2,089,076	1,112,185	1,440,722	2,758,983	3,361,402	1,152,000	2,422,358	1,122,000	1,039,495	993,200	2,952,792	1,032,800	6,586,437	
Account receivables	2,065,003	2,026,670	2,305,081	3,386,949	3,216,815	2,595,706	2,864,854	2,154,155	1,952,025	2,213,324	2,300,551	3,549,334	3,545,262	3,418,060	3,626,871	3,972,286	3,939,841	4,571,774	4,630,236	3,407,167	3,383,238	3,610,665	
Inventory	2,605,848	3,266,749	3,625,074	3,540,766	3,280,415	3,526,794	3,159,187	3,397,255	3,817,805	3,722,306	3,918,944	3,624,686	3,301,271	3,325,829	3,277,878	3,336,776	3,299,271	3,313,068	3,295,889	3,117,496	3,144,020	2,741,195	
Equipment on lease	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Receivables from Financial inves	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	0	
Receivables from Financial Servi	0	0	0	229,757	891,816	1,447,149	1,954,082	2,513,653	2,996,381	3,487,428	3,987,763	4,511,424	5,003,920	5,421,533	5,851,055	6,281,442	6,706,943	7,176,213	7,663,702	8,112,398	8,550,521	8,968,258	
Total assets	22,516,133	23,123,066	23,722,114	25,811,051	26,477,206	27,613,770	25,007,075	27,351,439	26,438,277	29,103,132	29,171,830	31,399,522	33,515,614	34,153,001	32,791,473	35,144,508	33,842,117	33,916,737	33,884,011	35,359,470	33,302,668	38,504,863	0
Liabilities and equity																							
Liabilities	10,678,914	10,821,230	11,520,444	13,107,444	13,272,118	14,020,956	11,861,248	13,759,910	12,289,271	14,421,052	14,604,901	14,934,829	16,345,546	16,456,774	15,136,620	16,707,475	14,608,932	13,796,359	13,554,970	13,651,849	10,115,455	13,739,084	4,219,019,497
LT Liabilities	9,786,531	9,786,531	10,488,531	12,114,849	10,313,349	13,005,349	10,005,349	12,568,319	9,568,319	13,261,319	13,419,754	13,780,654	15,208,054	15,208,054	13,581,737	15,359,717	12,667,717	12,215,797	10,094,197	12,100,297	7,807,297	12,219,497	4,219,019,497
ST Liabilities	0	0	0	0	1,952,834	0	847,970	0	1,555,645	0	0	0	0	0	362,269	0	581,221	0	1,886,071	0	678,708	0	
Account payable	892,383	1,034,699	1,031,913	992,595	1,005,935	1,015,607	1,007,929	1,191,591	1,165,307	1,159,733	1,185,147	1,154,175	1,137,492	1,248,720	1,192,614	1,347,758	1,359,995	1,580,562	1,574,702	1,551,552	1,629,451	1,519,587	
Shareholders' equity	11,837,219	12,301,836	12,201,670	12,703,608	13,205,088	13,592,815	13,145,828	13,591,530	14,149,007	14,682,080	14,566,929	16,464,693	17,170,068	17,696,228	17,654,853	18,437,033	19,233,185	20,120,379	20,329,041	21,707,822	23,187,212	24,785,779	0
Share capital	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	10,350,000	
Capital reserve	0	0	0	0	0	0	0	0	0	0	0	771,260	771,260	771,260	771,260	771,260	771,260	771,260	771,260	771,260	771,260	771,260	
Retained earnings	1,837,219	2,301,836	2,201,670	2,703,608	3,205,088	3,592,815	3,145,828	3,591,530	4,149,007	4,682,080	4,566,929	5,343,433	6,048,808	6,574,968	6,533,593	7,315,773	8,111,925	8,999,119	9,207,781	10,586,362	12,065,952	13,644,519	
Total Liabilities and Equity	22,516,133	23,123,066	23,722,114	25,811,052	26,477,206	27,613,771	25,007,076	27,351,440	26,438,278	29,103,132	29,171,830	31,399,522	33,515,614	34,153,002	32,791,473	35,144,508	33,842,117	33,916,738	33,884,011	35,359,471	33,302,667	38,504,863	4,219,019,497
NWC	3,778,468	4,258,720	4,898,242	5,935,120	-2,786	5,106,893	4,168,142	4,359,819	3,048,877	4,775,897	5,034,347	6,019,846	5,709,041	5,495,169	5,349,866	5,961,305	5,297,895	6,304,279	4,465,352	4,973,111	4,219,099	4,832,272	0
CO2 Emission	131.5	129.7	124.1	121.6	93	65.3	44.3	46.6	42.4	35	30.2	24.9	23	13.1	12	6.6	0	0	0	0	0	0	
Net assets	19,088,652	20,365,647	21,685,651	23,513,823	26,056,692	23,211,946	21,303,264	20,460,479	21,460,990	22,366,896	22,886,736	24,293,201	24,615,219	24,121,347	24,595,805	25,092,950	24,653,179	24,120,468	23,652,407	22,742,728	22,089,896	21,430,582	0

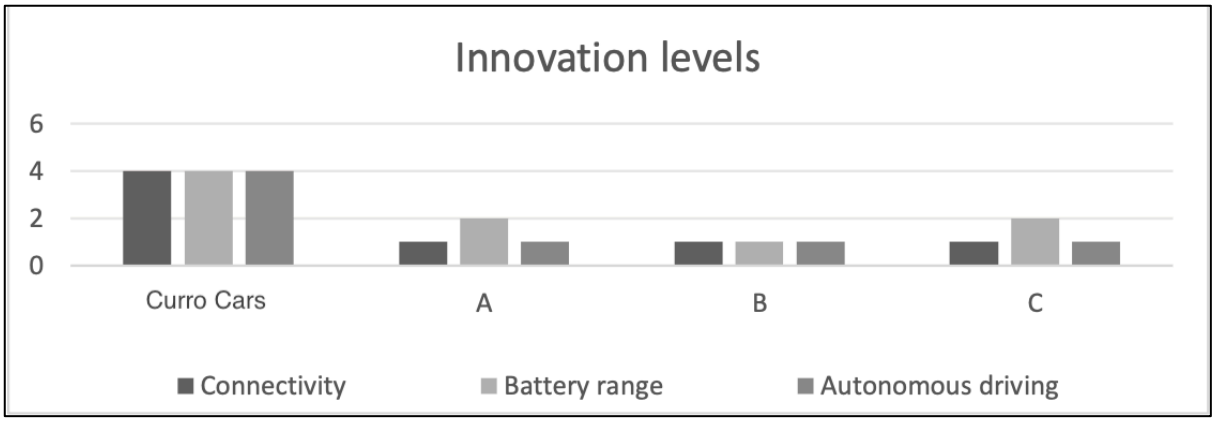
Appendix 4: Balance Sheet of Curro Cars (to compare account receivables and payables) and calculation of the Net Working Capital (written as NWC on the table)



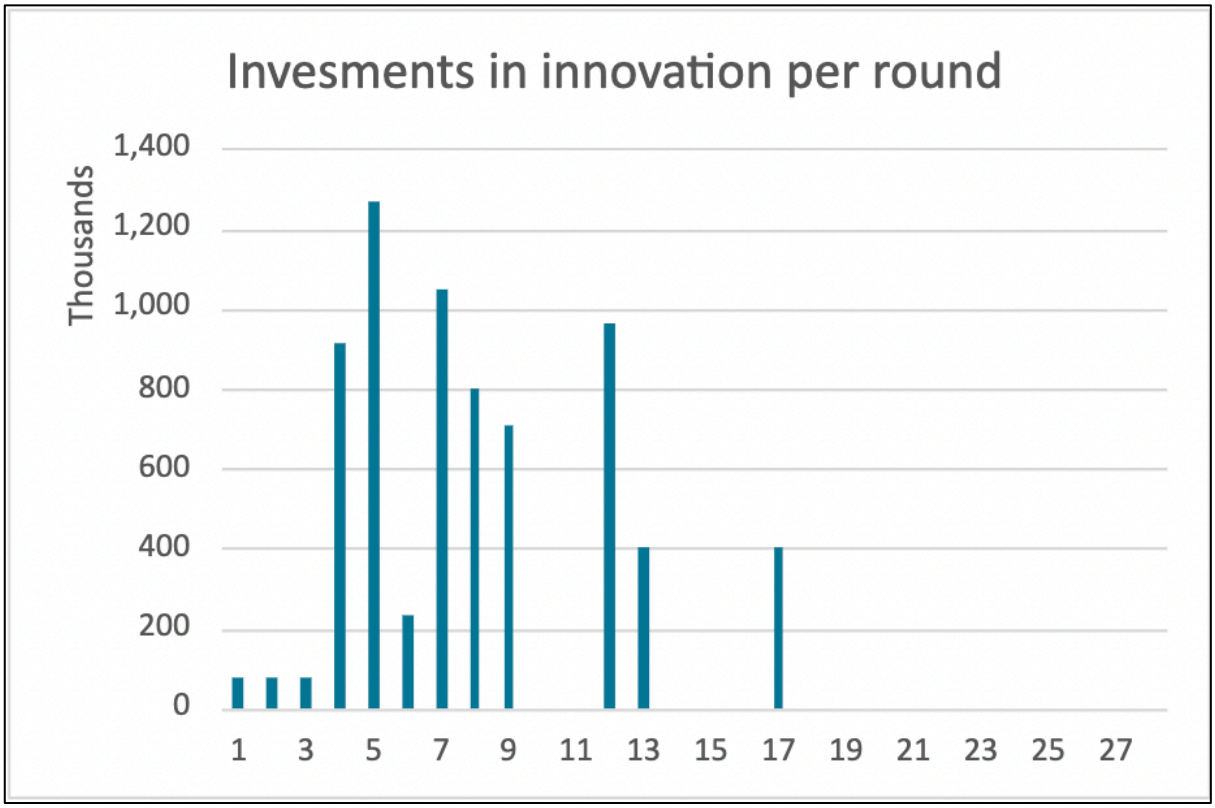
Appendix 5: Liquidity ratios of Curro Cars



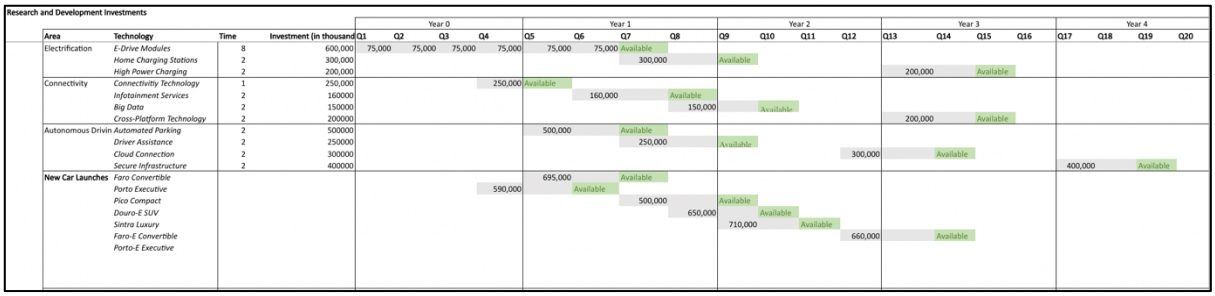
Appendix 6: Curro Cars WACC evolution and its benchmark



Appendix 7: Curro Cars R&D levels compared to competitors A, B, and C



Appendix 8: Curro Cars investments in Innovation per round



Research and Development investments

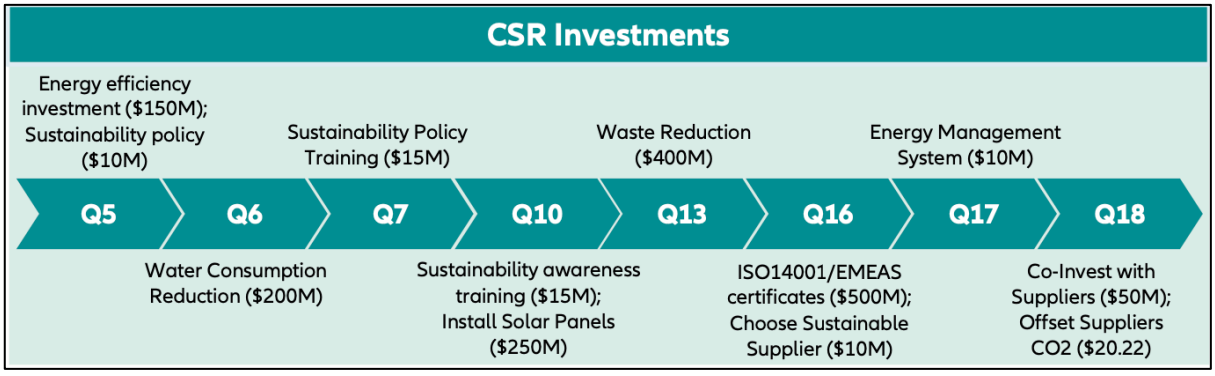
				Year 0				Year 1				Year 2				Year 3				Year 4			
Area	Technology	Time	Investment (in thousand	Q1	Q2	Q3	Q4	Q5	Q6	Q7	Q8	Q9	Q10	Q11	Q12	Q13	Q14	Q15	Q16	Q17	Q18	Q19	Q20
Electrification	*E-Drive Modules*	8	600,000	75,000	75,000	75,000	75,000	75,000	75,000	Available													
	Home Charging Stations	2	300,000							300,000		Available											
	High Power Charging	2	200,000													200,000		Available					
Connectivity	*Connectivity Technology*	1	250,000				250,000	Available															
	Infotainment Services	2	160000						160,000		Available												
	Big Data	2	150000								150,000		Available										
	Cross-Platform Technology	2	200000													200,000		Available					
Autonomous Drivin	*Automated Parking*	2	500000					500,000		Available													
	Driver Assistance	2	250000							250,000		Available											
	Cloud Connection	2	300000												300,000		Available						
	Secure Infrastructure	2	400000																	400,000		Available	
New Car Launches	*Faro Convertible*							695,000		Available													
	Porto Executive						590,000		Available														
	Pico Compact									500,000		Available											
	Douro-E SUV										650,000		Available										
	Sintra Luxury											710,000		Available									
	Faro-E Convertible														660,000		Available						
	Porto-E Executive																						

Appendix 9: Curro Cars chronology of R&D levels and cars development

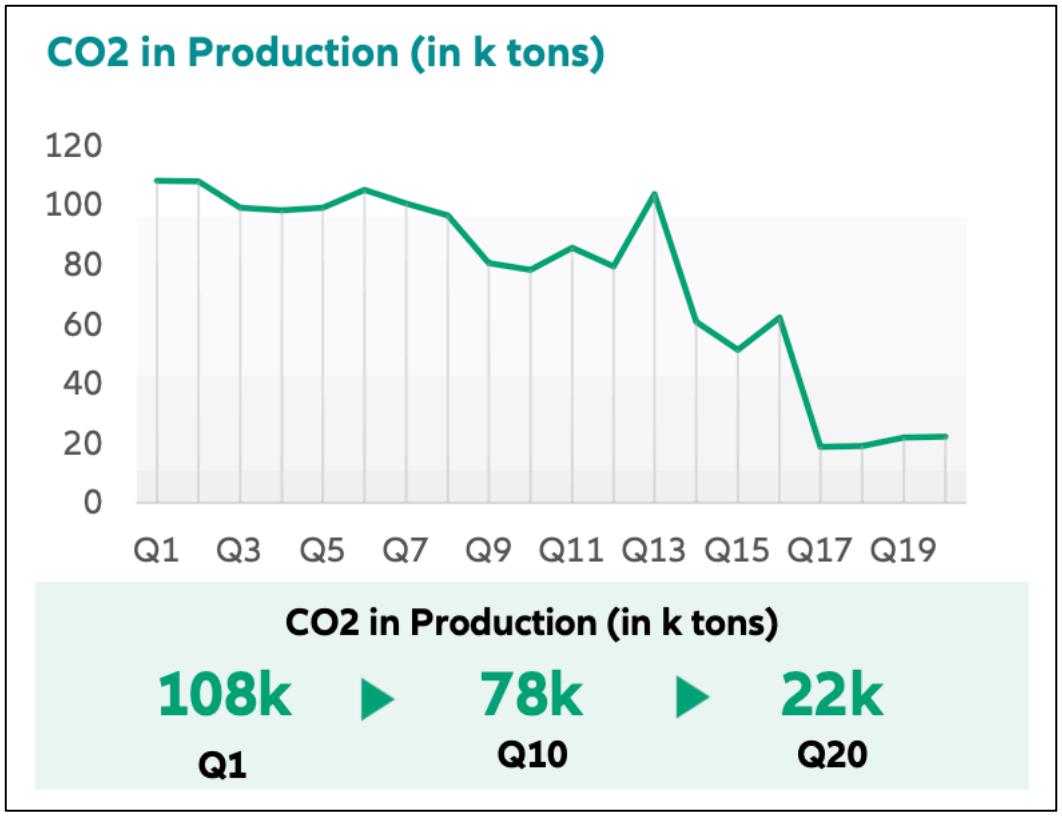
Q6

	Product	Price	CO2 Emissions	CO2 Premium per unit	CO2 Premium Ratio	Profit Margin	CO2 Adjusted Profit Margin
SUV	4x4 100D	$53,906	144 g/km	-2,940	-5.1%	32.4%	27.0%
Convertible	Air 135G	$48,307	142 g/km	-2,820	-5.8%	40.9%	35.0%
Executive	Biz 135D	$36,074	126 g/km	-1,860	-5.1%	23.8%	18.6%
Compact	City 75G	$25,456	114 g/km	-1,140	-4.5%	42.5%	38.0%
Executive	Faro (Execu	$47,520	100 g/km	-300	-0.6%		
Luxury	Lux 225H	$90,737	150 g/km	-3,300	-3.6%	38.3%	34.7%
Executive	Porto	$39,702	96 g/km	-60	-0.2%		

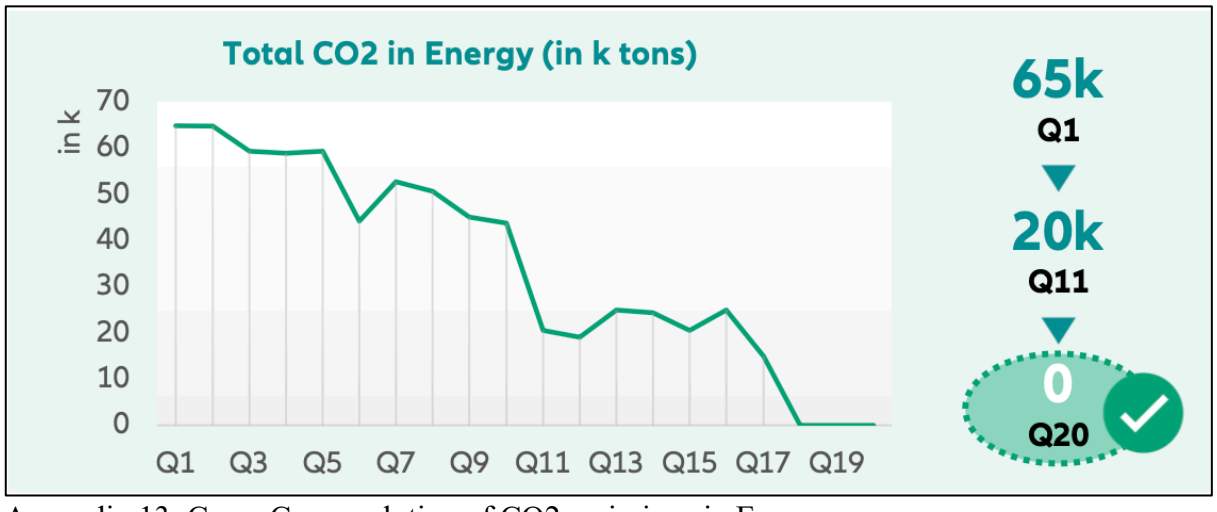
Appendix 10: Comparison of Curro Cars CO2 emissions per model for Q6



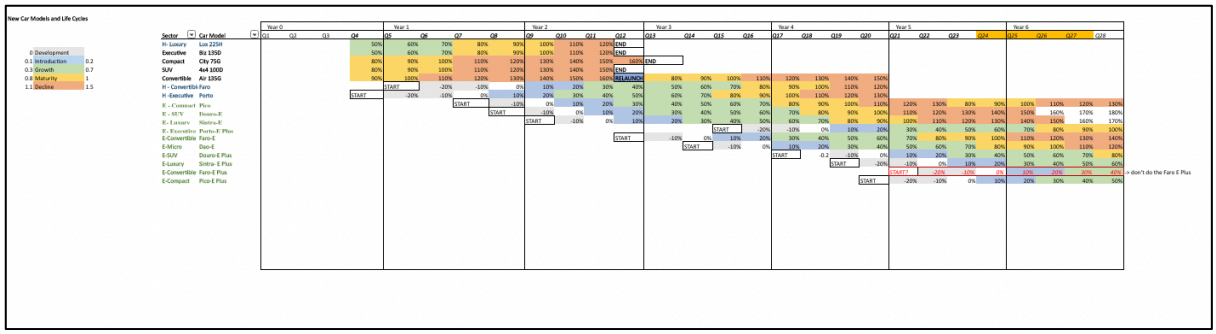
Appendix 11: Curro Cars CSR and sustainable policies investments



Appendix 12: Curro Cars evolution of CO2 emissions in Production



Appendix 13: Curro Cars evolution of CO2 emissions in Energy



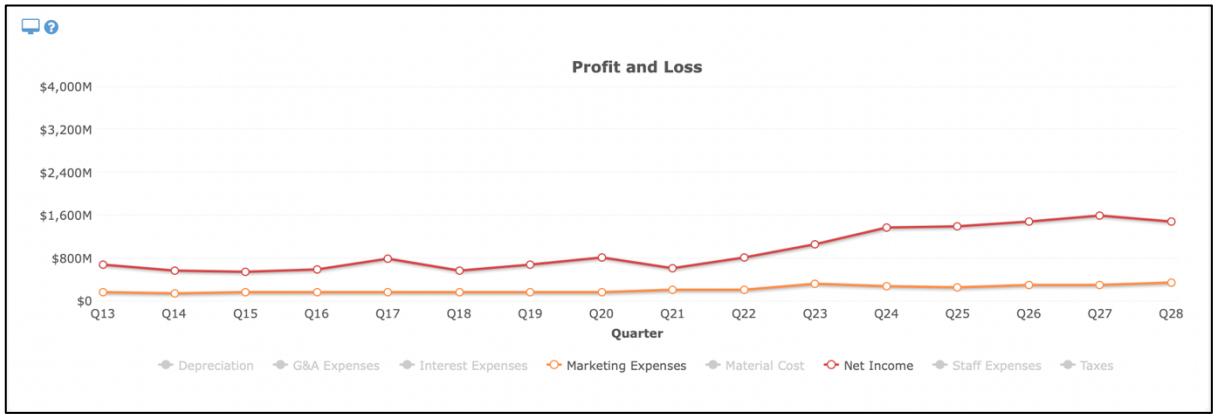
Appendix 14: Product Life Cycle of Curro Cars (the models written in blue are hybrid and the models written in green are electric)

Air 135G (3x)																					
($ in thousands)	Quarter 5	% of Rev.	Quarter 6	%of Rev	Quarter 7	% of Rev.	Quarter 8	% of Rev.	Quarter 9	% of Rev.	Quarter 10	% of Rev.	Quarter 11	% of Rev.	Quarter 12	% of Rev.	Quarter 1	% of Rev.	Quarter 14	%
Revenue	813,010	100.00%	1,164,811	100.00%	1,040,641	100.00%	1,027,351	100.00%	815.197	100.00%	761.385	100.00%	736.408	100.00%	652.448	100.00%	726,886	100.00%	600.079		
- Cost of Goods Sold	461,263	56.74%	631.331	54.20%	544,283	52.30%	533,535	51.93%	436.994	53.61%	429.441	56.40%	406.226	55.16%	363.233	55.67%	388,833	53.49%	332.943		
= Gross Profit	351,748	43.26%	533.481	45.80%	496,358	47.70%	493,816	48.07%	378.203	46.39%	331.944	43.60%	330.182	44.84%	289.214	44.33%	338,053	46.51%	267.136		
- Marketing Expenses	13,752	1.69%	9.168	0.79%	18,336	1.76%	8,115	0.79%	13.892	1.70%	13.892	1.82%	14.81	2.01%	7.91	1.21%	15,820	2.18%	12.589		
- Depreciation	44,775	5.51%	48.375	4.15%	51,075	4.91%	53,325	5.19%	54.675	6.71%	56.025	7.36%	57.375	7.79%	58.725	9.00%	66,780	9.19%	69.03		
= Profit Contribution	293,221	36.07%	475.938	40.86%	426,947	41.03%	432,376	42.09%	309.635	37.98%	262.026	34.41%	257.997	35.03%	222.579	34.11%	255,453	35.14%	185.518		

Appendix 15: Report of profit & loss per car (here specific example of Air 135G)

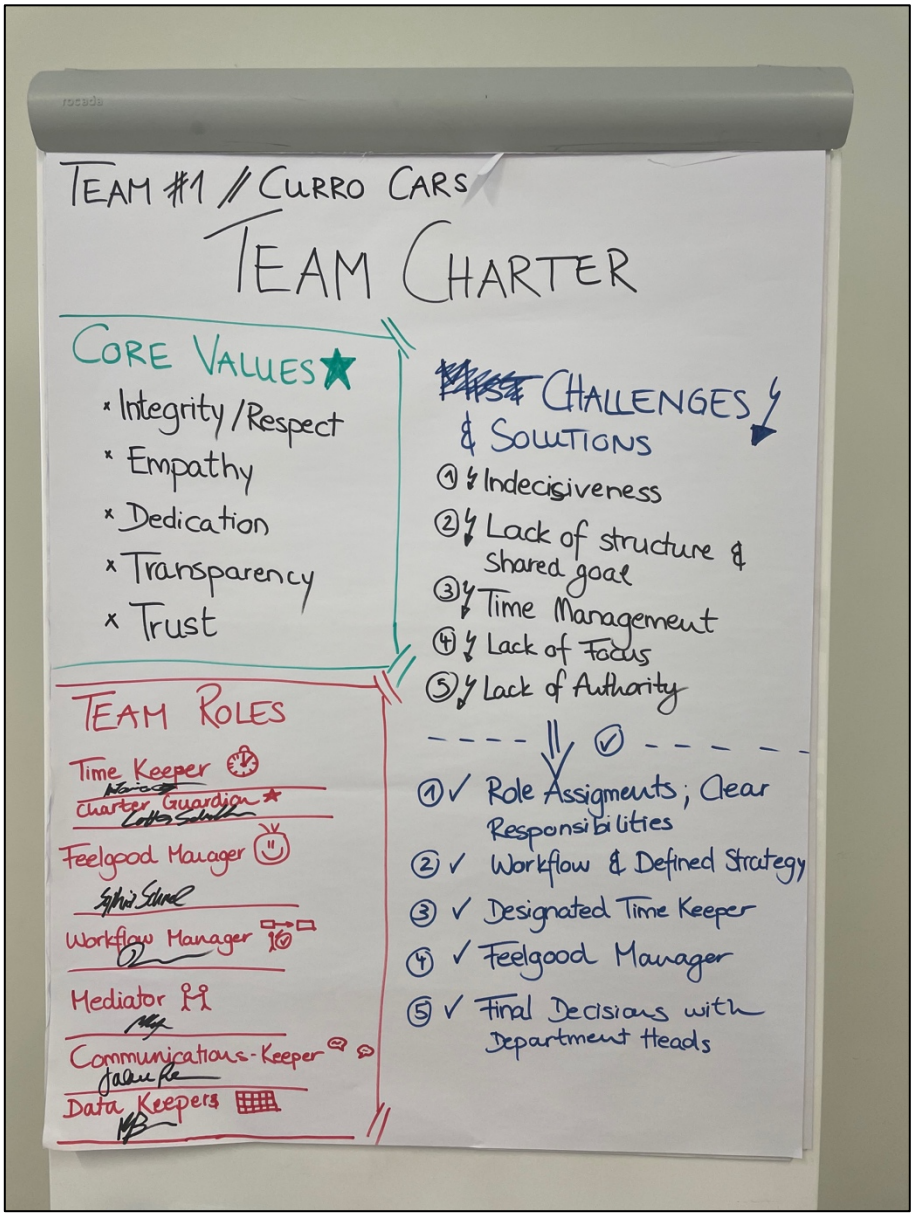
	Q17	Q18	Q19	Q20	Q21	Q22	Q23	Q24	Q25
Customer Promotion	3	3	3	3	3	5	5	5	6
Training / Service	3	3	3	3	3	5	5	5	6
Print Campaign	3	3	3	4	4	7	7	7	8
TV Campaign	3	3	3	4	4	7	7	7	8

Appendix 16: Snapshot of the development of our marketing strategy (the green color means we made a change from previous quarter)

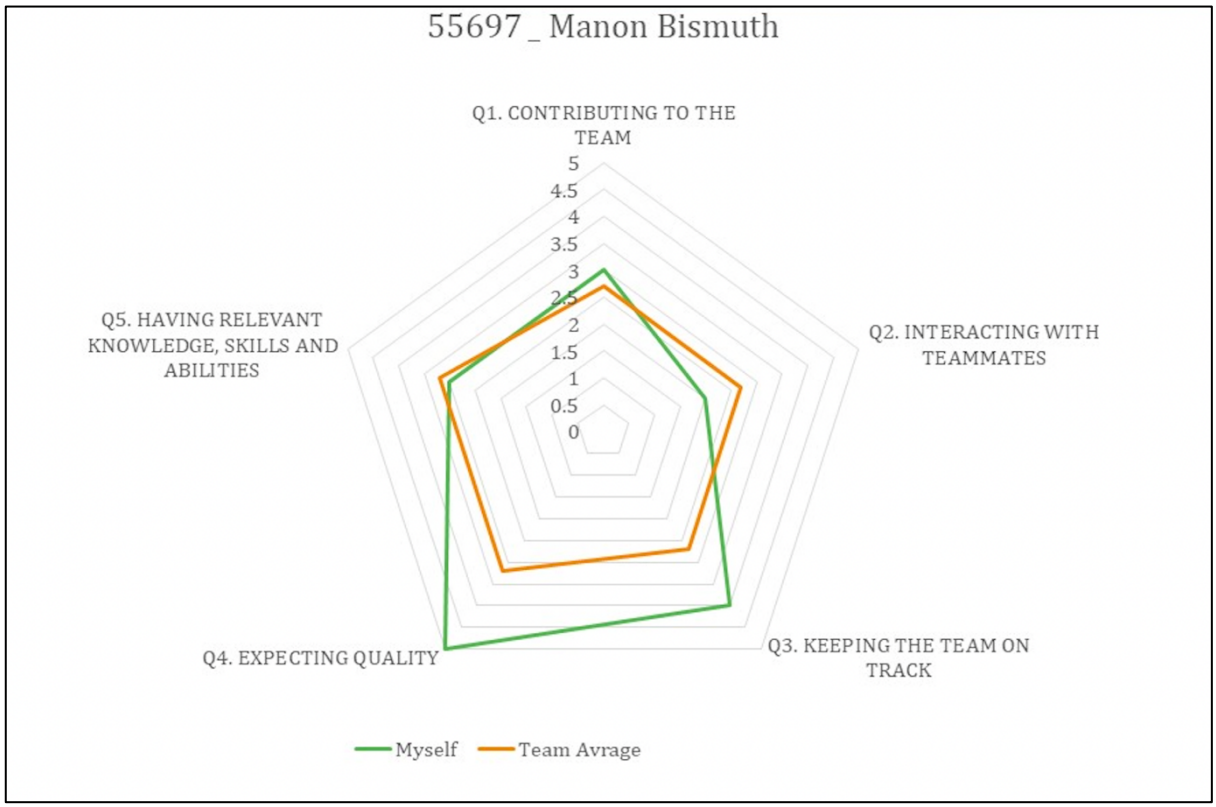


Appendix 17: Comparison between Marketing Expenses and Net Income

Appendix 18: My position in the Insight Discovery Model



Appendix 19: Team Charter of Curro Cars



Appendix 20: Peer Assessment Review

					Space for Notes
1		All			
	a.	Update sheets		Complete	
2		Operations			
	a.	Allocate Factories	*Reallocate both red cars to the US; Reallocate the yellow car to Europe and incr*	Complete	(sales are highest for Lux in the US; SUV is the most preferenced car in the US --> but sales are highest in Europe) Air is demanded the most in Americas, however, it is overall very demanded --> that's why we use the option of multiple production slots in Europe; take the black car out of production, as inventories are too high and need to be sold first; keep silver car
	b.	Recommendations	Reject the recommendation of Dieter Schnitzler for expanding of factory --> demand of cars produced in the US is too low for more production	Complete	
4		Marketing			
	a.	Adjust Prices	*did not decrease Price of Air and BIZ to see how it develops*	Complete	Recommendations: BIZ 135D: decrease price Lux 225H: raise marketing to 1.1% 4x4 100D: increase marketing to 2%, reduce price to 55,006.40
	b.	Adjust Marketing spend	*BIZ decreased to 2.3, City 75G decreased to 0.5, LUX icreased to 1.0*	Complete	
	c.	Adjust Continent Pricing	*Supply Levels: Americas: 88%; Europe: 83%; Asia: 78%*	Complete	
	d.	Marketing Mix		Complete	
5		HR			
	a.	Recommendations & Hiring	*Accept Hiring Recommendations*	Complete	
	b.	Factory personell	*Hire 5507 in Europe*	Complete	
	c.	Sustainability Training	*For top 3 managers*	Complete	
	d.	Motivation & Salaries	*Raise Salaries 3% (recommendation); adjust to have at least 0% compa ratio; in*	Complete	
6		Investment			
	a.	Innovation		Complete	
	b.	Operations investments	*None possible, as we lack Sustainability*	Complete	
	d.	Car Development	*Porto: 100kwh;*	Complete	
	e.	HR sustainability policies	*Could not do yet because we lack sustainability skill level*	Complete	
	f.	HR Investments		Complete	
7		Finance			
	a.	Margin/CF evaluation		Incomplete	
	b.	Loan	*loan 127 million (recommendation) to invest in connectivity*	Complete	
	c.	Finalize	*customer credit from 30 to 15 to have more liquidity for larger investments*	Complete	
7		All			
	a.	Decision Log		Incomplete	

Appendix 21: Curro Cars decision-process table