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STRATEGIC INNOVATION AND COLLABORATIVE LEADERSHIP: NAVIGATING
VECTOR MOTORS' TRANSITION TO ELECTRIC VEHICLES

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Abstract

This thesis examines the strategic transition of Vector Motors Corporation towards a fully electric vehicle fleet. The paper highlights how strategic planning, effective marketing, and a holistic HR approach were essential in aligning the company's goals with sustainability and market demands. Through a business simulation, the study demonstrates the importance of cross-functional coordination and collaboration in achieving organizational success and maintaining a competitive edge in the evolving electric vehicle market.

Keywords

Automotive Industry; Business Simulation; Business in Practice; Managing a Business; Electric Vehicles; Business Strategy; HR; Marketing; Sustainability; Teamwork; Team Dynamics; Sales Role Play; Leadership Development

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1. First Part: Introduction of the Firm Analysis

To stay ahead in the competitive automotive landscape, car manufactures must continually adapt to evolving market demands (Gangl, Gollmann, and Gruchmann 2024).

In response to these challenges, a new Board of Directors was appointed to help Vector Motors Corporation transition from internal combustion engines to a fully electric vehicle fleet. Over the six years of simulation, the company faced numerous challenges, from deciding which new cars to produce, ensuring they had features that would provide a competitive edge in the global automotive landscape, to addressing environmental and sustainability issues. These challenges, although marked by highs and lows, were almost all successfully overcome.

With a focus on employee well-being, Vector emerged as the company with the highest employee engagement by the end of the assigned period, outperforming the other 12 teams in the competition and winning an important award that attested the joint efforts of various company departments.

This section of the paper will focus on the company itself, providing a detailed analysis of its main activities. I will use theoretical frameworks from various academic sessions I attended during the Business in Practice program, as well as practical examples from real automotive companies that have faced and continue to face challenges similar to those of Vector.

The analysis will primarily focus on three business management areas. First, I will discuss Vector's Strategy; the focus will then shift to HR, and finally, I will conclude with a review of its Marketing vision. All of this will be framed within fundamental themes such as sustainability.

1.1 Strategy Section

1.1.1 The importance of having a clear Business Strategy

The goal of each business leader is to see their company succeed. Although making a profit and appeasing stakeholders are admirable objectives, they cannot be achieved without a well-planned Business Strategy.

That's why crafting a successful business strategy is vital for companies to gain a deeper understanding of what in economic terms is identified as *value creation* which is composed by four elements (see Figure 1) (Boyles 2022).

Additionally, understanding the environment that surrounds an organization provides priceless insights for the executives in charge of the organization. Why? Because every action that an organization takes, such as raising its prices or launching an advertising campaign, creates some degree of changes in the world around it (Ketchen and Short 2011).

1.1.2 What Did Vector Want to Become? Crafting a Vision for the Future

Any organization needs a clear vision statement because it lays the groundwork for developing a long-term strategy. It should address fundamental questions such as "*What do we want to become?*" Keeping this in mind helps align the efforts of the executives and ensures that everyone within the organization works towards the same long-term goal.

According to the literature, a clear value proposition should be concise, ideally one sentence (David 2011).

For Vector, we carefully crafted and agreed upon it before the simulation began.

With the desire of becoming a leading company and a sustainable pioneer in the automotive industry, offering customers cutting-edge attributes in their cars, Vector's vision statement was as follows: "*At Vector Motors, we're redefining urban mobility with state-of-the-art electric cars made for drivers who care about the environment. Our electric vehicles (EVs) offer a*

unique driving experience through their superior range, unmatched safety, and cutting-edge smart features. You can drive the future today with Vector Motors."

This piece of statement became essential as soon as the simulation kicked off because it served as an anchor for all strategic decisions, making sure that each endeavor was in line with the primary goal of revolutionizing urban mobility and setting the standards for environmentally friendly solutions in the market.

1.1.3 Vector's Strategic Positioning

To successfully navigate the highly competitive automotive industry, Vector adopted a comprehensive *differentiation strategy* (see Figure 2) (Porter 1985), complemented by substantial early investments in Innovation. This strategic approach was aimed at establishing a unique market position by offering high-quality electric vehicles (EVs) with superior features in line with Vector's vision to provide high performance and quality to its customers. The logic of the differentiation strategy required us to choose attributes and features that were able to differentiate ourselves from rivals.

Similarly, *Tesla* succeeded with a strong differentiation strategy, focusing on innovative EV technology and the influential brand image of its CEO, Elon Musk. However, Tesla's current challenges—eroding product differentiation and a tarnished brand image—highlight the risks of relying on these factors alone. As competitors close the gap in EV technology and Musk's public image suffers, Tesla's once-distinct market position is weakening (Adamson 2024).

This situation serves as a cautionary example for Vector and other companies using differentiation strategies. To maintain a competitive edge, it is crucial to continuously innovate and manage both product offerings and brand reputation carefully.

1.1.4 External Analysis – Porter's 5 Forces Framework

"The State of competition in an industry depends on five basic forces" (Porter 1989). In the context of the automotive industry, particularly with regard to the transition of numerous

manufacturers towards electric vehicles, *the level of rivalry* is intense. Although the industry is expansive, it is also mature, with customers displaying significant brand loyalty (Rizwana 2019). *The threat of substitutes* in this sector is relatively high. While electric vehicles themselves are a substitute for traditional internal combustion engine vehicles, within the EV market, the threat of substitutes can also come from other forms of sustainable transportation, such as public transit and bicycles. The availability and appeal of these alternatives can influence consumer choices and impact the demand for EVs (Fedotov 2022). *The bargaining power of buyers* has increased due to shifting consumer preferences and the heightened competition among companies. Buyers, whether large or small, are now in a position to demand price reductions as they can easily switch their brand allegiance (StudyCorgi 2023). *In terms of suppliers*, their bargaining power is relatively high. Suppliers in the EV industry, particularly those providing key components like batteries, have significant power. The limited number of suppliers capable of producing high-quality, cost-effective batteries means that EV manufacturers are often dependent on a small pool of suppliers, giving those suppliers leverage in negotiations (Fedotov 2022). Finally, *the threat of new entrants* in the EV market is relatively high, especially given the growing interest in sustainable technologies and the potential for government incentives. However, the capital-intensive nature of the industry creates significant barriers to entry (Fedotov 2022).

1.1.5 Internal Analysis – Resource-Based View with VRIO Framework Application and SWOT Analysis

An important framework that helped us to shaping our internal strategy was the *Resources-Based View*. In particular, by applying the RBV framework, we were able to identify our unique strengths, protect our valuable resources, and strategically leverage them to achieve and sustain a competitive advantage in the industry.

In fact, this model begins with the assumption that firms' resources are *heterogeneous* and *immobile* (Barney 1991). It further explains, using the *VRIO framework* that in order to maintain sustained competitive advantage, resources are assessed based on four criteria: Value, Rarity, Imitability and Organization (Barney 1991).

A resource is valuable if it aligns with the company's strategic objectives and helps in achieving them. Investing in advanced battery technology aligned perfectly with our strategy to offer high-performance electric vehicles. Furthermore, Vector's achievement of winning the award for the highest employee engagement is an example of rarity (see Figure 3).

In terms of operational efficiency, Vector held the lowest number of inventory days among competitors (see Figure 4). This reflected an efficient supply chain and production process that minimized unsold inventory, which turned out to be hard for competitors to replicate. Moreover, Vector has also been able to maintain the lowest debt ratio (30.80%) among all teams (see Figure 5). This important KPI indicates how much the company relies on debt to finance its assets. A lower reliance on debt for asset formation reduces financial risk. Thus, both KPIs represented inimitable resources for Vector. Lastly, our departmentalized and structured decision-making process has been essential to properly exploiting the rare, valuable, and hard-to-imitate resources (see Figure 6).

Utilizing a *SWOT Analysis* during our planning and development phase was critical for our corporation, which had just one fiscal year since its inception (Harmon 2024).

In fact, it highlighted several strengths, including our technological innovations, high employee engagement, and the effectiveness of our long-term investment strategy, which resulted in a significant climb within the overall ranking during the last three decisive years (see Figure 7). However, we faced weaknesses such as high initial costs and the delayed launch of high-feature vehicles.

In terms of opportunities, analyzing the sales graph reveals that lower-priced electric vehicles like the City E, Lisboa, and Beijing significantly outperformed more luxurious models such as the Miami, Monza, and Amsterdam (see Figure 8). This trend can be attributed to the higher production costs and consequently higher prices for final consumers. Focusing on these high-performing models offers Vector a substantial opportunity to better meet market demand and increase profitability. Lastly, we faced threats related to the ongoing need to enhance our sustainability efforts.

1.2 HR Section

1.2.1 Vector's Holistic HR Approach: Empowering Workforce and Driving Organizational Success

The HR department is essential in ensuring an organization operates at full capacity by guaranteeing a qualified workforce, developing both managerial and operational skills, and retaining staff through effective recruitment, training, performance appraisal, and reward management systems. This holistic approach ensures that the best resources are chosen and optimally utilized to support the organization's success (Cunha and Kará 2024).

In today's world, engaging in environmentally friendly practices has become increasingly crucial for corporations. Within a year of its inception, Vector transitioned from conventional vehicles to a fully electric fleet. This monumental shift required comprehensive employee training to ensure high performance and smooth facilitation of this complex process. Vector's aim of becoming a leading company in the automotive industry hinged significantly on the pivotal role played by its employees.

Vector has consistently prioritized a diverse workforce, striving to maintain high levels of diversity and fostering a culture of inclusion and gender equality. The company's commitment to these values is evident from its ESG (Environmental, Social, and Governance) report, which highlights till Q20 Vector's success in diversifying its workforce and ensuring salary equality

based on job titles (see Figure 9). Over the course of six years of simulation, employees were always the top priority, even when the company faced numerous challenges.

The company diligently worked to ensure high levels of workplace satisfaction and employee engagement. As employees felt more valued and supported, their contributions to the company's success became more significant, driving Vector to new heights in performance metrics (see Figure 10). In today's competitive landscape, having the right talent is as crucial, if not more so, than having sufficient capital. Best practices for talent management, including identifying, attracting, developing, and retaining the necessary talent, are strongly correlated with higher organizational performance (Doucette et al. 2020). A positive correlation between their motivation levels and the company's performance scores was therefore evident. Specifically, when the company's performance scores were low, their motivation was also low. As investments began to yield results, employee motivation increased correspondingly (see Figure 11). With considerable effort, eventually we managed to excel in these areas, outperforming the other 12 teams and earning recognition for having the highest level of employee engagement. This achievement underscores Vector's dedication to creating a supportive and inclusive workplace that values and uplifts every team member.

1.2.2 Work Force Planning

One of the most difficult issues that managers face is personnel planning in their companies. As a company grows, the situation becomes more complex. Workforce planning determines when and how many people should be employed, fired, and when they should work. Therefore, it is a result of staffing and scheduling decisions (De Bruecker et al. 2015).

To ensure effective workforce planning, Vector's strategy primarily focused on adopting a proactive approach aligned with the company's long-term goals. Specifically, the HR department collaborated closely with other directors to acquire specific skills or recruit new personnel, particularly when launching a new model in the market. Additionally, the company

made sure that workload levels did not exceed 100%, as excessive workloads could lower employee motivation unless compensated by increased salaries. To address this, the HR director ensured that whenever workloads surpassed a certain threshold, employees received raises or other perks. This comprehensive approach proved successful in achieving the company's objectives by maintaining a motivated workforce with the right skills (see Figure 12, 13,14).

A real-world example of effective workforce planning can be seen in Mercedes-Benz's strategic shift towards electric vehicles as part of their "Ambition 2039" initiative. Recognizing the profound impact this transition would have on their workforce, Mercedes-Benz developed a comprehensive workforce strategy known as the "People Plan." This plan consists of three core pillars: "Re-Shape," "Re-Skill," and "Re-Charge." These pillars are focused on reorganizing the company to highlight new expertise, reskilling employees for future roles, and maintaining a supportive and inclusive work environment. The strategy emphasizes job security and is supported by significant investments, such as over EUR 1.3 billion by 2030 in Germany alone, to ensure that employees are well-equipped for the future of electric mobility (Achillas and Iosifidou 2024)

1.2.3 Compensation

Compensation plays a crucial role in an organization by attracting and retaining qualified personnel, motivating employees, reinforcing the organizational culture, and maintaining market competitiveness for products or services (Cunha and Kará 2024).

In the tenth quarter, Vector experienced a significant reduction in staff expenses, coinciding with the decision to discontinue the Business 135H model. This notable decline suggests a direct correlation between the removal of this vehicle from production and the decrease in associated labor costs. The decision to phase out the Business 135H had multiple implications for Vector, likely reducing the demand for labor involved in the production, maintenance, and support of this model. This resulted in a reduction in wages, benefits, and other related staffing

costs. Although discontinuing the Business 135H was a mistake, this reduction in staff expenses indirectly contributed to lowering overall personnel costs (see figure 15).

1.2.4 Training

Although many companies provide their employees with the necessary training, only some of them actually see a significant improvement in employee performance as a result of such training. This suggests that some training strategies have specific flaws that prevent employees from making substantial progress in their job performance (MAUNSELL-TERRY and TAŞKIN 2023). As suggested by the literature and highlighted during the academic session, one well-known strategy for developing well-prepared employees with leadership skills is the 70:20:10 model. This framework indicates that leadership growth arises from a mix of different activities: 70% through practical, on-the-job experiences, 20% via coaching and mentoring relationships, and the final 10% through formal educational programs (Cameron, Edwards, and Harper 2024). Drawing inspiration from this academic model, Vector has observed the effectiveness of their training investments in the sustainability skills levels achieved by their employees (see Figure 16).

1.2.5 Green Human Resource Implementation

Green HR practices should take into account the organizational commitment of employees. It is important for the organization and its staff to have aligned environmental values. In order to do so, employees need to be fully committed to their environmentally-oriented tasks, which should be reflected in their work processes (Azmy 2024).

With the aim of fully transitioning to electric, a total of 40 million dollars has been spent up to Q9 to ensure the early commitment to practices and standards designed to promote environmentally responsible operations as well as developing the required skills to drive critical business decisions with the ultimate goal of creating a unite environment that fosters a better work culture.

1.3 Marketing Section

1.3.1 Aligning Marketing Efforts with Sustainability Goals

Every company aims to achieve a specific level of profit or maximize it, and to sustain or increase it over the long term. This objective can be accomplished if sales are executed according to the plan (Redjeki, Fauzi, and Priadana 2021).

The current sustainability challenges have highlighted the importance for Vector to adapt its marketing strategies to emphasize eco-friendly practices throughout its value chain. By doing so, Vector remained true to its mission, aligning more effectively with the increasingly frequent shifts in consumer values and preferences, aiming to enhance its brand and contribute to long-term development.

Real leading car manufacturers are responding to these challenges by implementing ambitious sustainability initiatives aimed at reducing their environmental footprint.

In this regard, *Volkswagen* has committed to reducing carbon emissions per vehicle by 50% across all its plants. *Toyota* has declared its goal of a 30% reduction in the global average carbon emissions from its new vehicles, compared to 2010 levels. *General Motors* plans to use 100% renewable energy for vehicles manufactured in the US and reduce factory greenhouse gas emissions by 31% over the period 2026-2030 (Istrițeanu, Badea, and Băjenaru 2024).

Following the trend set by these industry leaders, our company has also committed to significant environmental goals successfully achieving Zero CO₂ Emissions by Q19 (see Figure 17). This accomplishment demonstrates our dedication to sustainability and our ability to implement effective strategies that align with global efforts to combat climate change.

1.3.2 Marketing Mix (4Ps)

“*The automotive industry stands out as one of the fastest-growing industrial sectors*” (Gani et al. 2024). In the beginning of the simulation, Vector's portfolio comprised six distinct models,

each characterized by specific features aimed at meeting diverse consumer preferences. The models included:

- *Sport E*, *4X4 E*, and *City E*: These electric vehicles featured Autonomous Drive Level I and Feature Package Level I, equipped with Standard Li-ion battery technology.
- *Business 135 H*: This hybrid vehicle combined an electric motor with a gasoline engine, offering a balanced approach to fuel efficiency and performance.
- *PU225G* and *Lux225*: These models were powered by traditional gasoline engines, providing options for consumers still reliant on conventional fuel types.

Over the course of the simulation, Vector introduced new models to the market. All newly launched models, with the exception of the *Shanghai*, were equipped with electric engines, aligning with the company's commitment to sustainability. The *Shanghai* model, however, featured a hybrid engine but was ultimately discontinued in the nineteenth quarter due to a significant drop in sales, from 19.38k units in Q17 to just 1.32k units in Q19 (see Figure 18) (see Figure 19).

The most efficient and effective way for a company to maximize its profit is to establish the correct pricing strategy. Setting the right price can enhance profit margins more swiftly than merely increasing sales volume, while incorrect pricing can rapidly erode profits (Marn and Rosiello 1992). Vector's approach to pricing incorporated these three aspects:

- Initially, we used to evaluate consumer preferences and competitor pricing for the models we intended to launch, providing a foundational benchmark to maintain competitiveness.
- We then assessed the features of each vehicle, recognizing that a higher number of features justified a higher price for the end consumer. For instance, luxury models like the Miami, introduced in Q12, were priced around \$100k, maintaining a steady sales volume of 8.99k units and being relaunched after reaching the end of the product life

cycle. In contrast, more compact models like the Beijing and City E, which appealed to a broader audience due to their affordability, were priced around \$25k.

- Lastly, we considered where the car was produced and the markets in which it would be sold to minimize tariff costs.

Therefore, it is evident that the prices of the various models differed based on several factors considered during the final pricing decision.

This structured approach to pricing ensured that each model was competitively positioned in the market, aligning with both consumer expectations and company profitability goals.

In terms of Place, Vector operates factories in three key regions: China, the USA, and Europe.

This global presence enabled the company to serve a diverse customer base effectively and expand its market reach. The strategic placement of factories in these regions not only optimized Vector's supply chain but also positioned the company for future growth.

At last, Promotion played a crucial role in enhancing Vector's brand image and its global recognition. The company focused on green promotion and labelling to influence consumer attitudes and satisfaction, acknowledging that eco-friendly initiatives resonate well with today's environmentally conscious consumers. Research indicates that green promotion and labelling can significantly affect consumer attitudes and behaviors, even among skeptics (Sharma 2021).

Over the years, the company has made significant investments to improve its visibility and reputation, focusing heavily on online campaigns and television campaigns.

The company's investment in promotion has been gradual and research-driven. Market research has been fundamental in understanding consumer response to various promotional strategies.

To boost consumer satisfaction, Vector also invested in training programs and improving the quality of its sales outlets. Marketing expenses for training accounted for 9% of the budget, resulting in a 1.50% increase in satisfaction levels. High consumer satisfaction is critical, as it

leads to customer loyalty (Rane, Achari, and Choudhary 2023), positive word-of-mouth, and overall brand loyalty.

1.3.3 Synergistic Collaboration between Marketing and Innovation

Understanding and addressing consumer needs and preferences is vital for corporations if they want to succeed and gain a sustainable competitive advantage. As emphasized during the academic session, throughout the simulation, the marketing department worked hand in hand with the Innovation team to ensure that our products met market demands and stayed ahead of industry trends (Lages and Martins 2024). By analyzing consumer preferences, the Marketing Director provided valuable insights that guided the Innovation team in designing and developing features for vehicles that aligned with current market expectations.

1.4 Firm Analysis Conclusions

Based on the extensive analysis and experience gained throughout the simulation, it is clear that Vector's journey towards becoming a leader in the electric vehicle (EV) market was both challenging and rewarding. The program offered invaluable insights into the critical aspects of business activities, highlighting that each business unit plays a pivotal role in driving company's success.

The transition from traditional internal combustion engines to a fully electric fleet underscored the importance of having a clear and well-crafted vision, one that not only aligns with the company's long-term goals but also resonates with the evolving demands of the market. By adopting a differentiation strategy and making early investments in innovation, Vector was able to establish a unique position in the competitive automotive landscape. This approach, however, required continuous adaptation and a proactive stance to manage both internal and external challenges, such as technological advancements and market dynamics.

The role of human resources in this transition cannot be overstated. The company's focus on maintaining a highly engaged and motivated workforce was crucial, as it directly influenced

the overall performance and productivity of the organization. Vector's commitment to fostering a diverse and inclusive workplace, coupled with its investment in training and development, ensured that employees were well-prepared to contribute to the company's sustainability goals and navigate the complexities of the EV market.

As the Marketing Director, my role was central to aligning Vector's marketing efforts with our sustainability objectives. I was responsible for setting the right prices for our vehicles and ensuring that the models we introduced to the market accurately reflected consumer preferences. This strategic pricing and product alignment not only enhanced Vector's brand image but also allowed us to secure a competitive edge in a rapidly evolving market.

Moreover, I realized that the interconnectedness of various departments was crucial during the decision-making process. The collaboration between the marketing and innovation teams, in particular, was instrumental in ensuring that our product offerings not only met but exceeded market expectations. This synergy between departments helped keep Vector at the forefront of industry trends and drove our success in the electric vehicle market.

In conclusion, the Business in Practice Program has highlighted the importance of strategic planning and effective business management, demonstrating how critical it is to cultivate a collaborative work environment. Through this experience, I have gained a deeper understanding of how integrated decision-making across various departments can drive organizational success. The journey has equipped me with the necessary skills and insights to contribute meaningfully to the industry, and it has solidified my confidence in pursuing leadership roles in the future.

2. Second Part: Individual Reflections

"If history repeats itself and the unexpected happens every time, how incapable must Man be of learning from experience," as George Bernard Shaw once stated (Serrat 2010). Throughout the rigorous Business in Practice program, this quotation has been with me, serving as a continual reminder of how important it is to draw lessons from the experiences I have had.

I had to overcome many obstacles in my role as Marketing Director, which put my adaptability and perseverance to the test.

Throughout the program, I kept detailed daily notes, which helped me quickly identify critical events, issues, and successes. These notes turned into a priceless tool for me to think back on the lessons I had learnt, all the critical incidents that happened and consider how I might use them going forward.

One of the most important events happened when I had to deal with an unsatisfied client and had to use all of my salesmanship. I can still clearly feel the pressure to keep Vector's cooperation together in that tense moment.

The second incident was far more intimate. A team member's mistake had repercussions that affected how confident I was in our working relationships. I saw myself thinking about my leadership responsibilities. I had to face my emotional responses and become more conscious of team dynamics as a result of the misstep.

In order to achieve this, I will make use of academic frameworks that were taught during the BiP, such as the Insights Discovery Wheel alongside many others. In particular, *the Insights Discovery® personality test* is a useful model that assists individuals in better understanding themselves and improving their work environments, as well as the significance of acknowledging potential discrepancies that may occur when evaluating oneself in relation to other peers. This section will conclude by emphasizing how important it is to respond quickly

to significant occurrences and by considering the lessons and personal development that have come from them.

2.1 First Critical Incident

2.1.1 The Event

The first major incident happened during the Business in Practice (BiP) program's Second Role Play, which was centered on client retention. It was June 25th morning and therefore three days before the program was scheduled to end. The aim was to resolve the grievances of an unsatisfied customer and preserve their commercial collaboration. Because of how intense the third week of the BiP program was, there were a number of scenarios that may change the course of events for the various teams engaged. A client had sent an urgent email expressing worries about our partnership, and my team and I had to meet with them.

This role play was particularly critical for me, as I needed to demonstrate my leadership abilities and confirm my skills for both the team's success and my personal growth.

The stakes were high: a \$1.92 billion revenue loss would be significant in the event of a failure. I was feeling like an actor practicing the script before going to the stage as I stayed up late the night before the role play to rehearse potential questions and answers for the upcoming conversation. Even though I was prepared, I wasn't sure whether it would work out well, especially since the last role play didn't go well resulting in the loss of a client.

Our meeting was scheduled to be the last one on that day and I was afraid that the client would be fatigued and hard to convince. Despite this, I took a few moments to gather my thoughts and muster the courage outside the meeting room.

The customers were ready, seated, and a little agitated already. I walked up to them first, shook their hands, and sat down. All of the sudden, all of my prior nervousness vanished to be replaced by a calm assurance.

I was prepared to take on this task head-on.

2.1.2 Reflective Elements from Personal Journals

When I went back and read my diary entries from that time, I saw how my days were marked by a great sense of initial pressure. I felt nervous. The thought expressed in one of the pages was, "I feel the burden of proving to my team that I can succeed." Our organization's success depended on that event, thus I could not afford to go down. I had to make sure I handled everything as carefully as possible. In my daily reflections, the idea of responsibility kept coming up; I wanted to demonstrate to everyone my worth and identity.

2.1.3 Navigating the Uncertainties and Recognizing My Cool Blue

Reflecting on my feelings of nervousness and pressure, I saw how these sentiments were connected to my desire to take the lead in the group. The concept could be further examined when we ask, "*How does one do it?*" (Howieson 2019), or simply in other words, what are some ways for someone to exhibit leadership qualities? Uncertainties are a common occurrence for leaders, and they can present formidable challenges. I could completely relate this idea to what I went through in the role play. My ambiguous lack of trust in my team members and the unknown of who I would be up against, how they would respond, and the result I would obtain, all worked against me, and these elements created a backdrop of uncertainty that tested my abilities as a Leader.

I remembered that we were exposed to the *Insights Discovery*® personality test used as a framework to measure the dominant personality traits, during a workshop titled "Leading Yourself" in the first week of the program, which was given by Professor Miguel Pinto Fernandes. Particularly, this framework is a useful tool that people can use to improve their understanding of themselves and their work environment. This model indicated that my dominant color was Cool Blue (see Figure 20), which denotes a high attention to detail and a tendency for careful planning. As stated in the literature, "*The higher an individual's color score is, the more they will be inclined to use or have a preference for using these qualities. The*

converse is also true: the lower a color score is, the less they will be inclined to use these qualities" (Benton et al. 2008). I knew that I was about to have "issues" to my natural tendency to tackle situations.

Cool Blues are cautious and thoughtful, always preferring to plan in advance. They are stressed by situations lacking structure or missing important information, and they dislike being rushed, as it can lead to lower quality work (Schwefel 2018). In other words, given these traits, I was determined not to leave the room without securing the client's trust.

By using the Insights Discovery Wheel framework to analyze my role-playing experience, I was able to see how my Cool Blue traits shaped my approach. My attention to detail was evident in the careful preparation I did the night before, staying up late to polish potential questions and answers. This aspect made me feel more prepared and assured when I was in front of the clients, despite my hidden anxiety.

Still, my Cool Blue instincts were challenged by the ambiguity of the circumstance. My ability to deal with these uncertainties while depending on my own tendencies toward accuracy and meticulous preparation was definitely tested during the role play. I soon gained a deeper understanding of how my "Cool Blue" played a role in my performance.

2.1.4 Breaking the Ice and Securing the Deal

As soon as we went down the stairs, I knew that breaking the ice would be essential to setting a nice tone. So I started by asking them how they were doing and making a little joke about how the miserable the weather was ruining our plans to go surfing. I realized right away that the tension had slightly alleviated. This brief back and forth made everyone feel more comfortable and ready for the important conversation that was about to kick off.

When the conversation shifted to the main topic, I soon recalled the importance of active listening, a key concept that Professor Miguel had repeated many times during his workshops, so much so that it had stuck in my mind.

Therefore, I listened attentively to everything the clients had to say, nodding and maintaining eye contact, making sure not to interrupt them. To ensure the client continued the partnership with us, I questioned if they had any requests from us. This inquiry resulted in an unexpected and difficult situation where the client started asking for all of the cars in our portfolio to be changed to white color.

I glanced at my colleagues, especially the Finance Director, and we knew without words that we were in trouble since we didn't want to make overpromises.

I instantly replied, recognizing how important this client was for us, that we would try our best to accommodate their request, proving our dedication to meeting their demands.

As our session together was coming to an end, I thought again back to Professor Miguel's pieces of advice regarding the value of body confidence and following up. With a little bravery, I turned to face the clients and asked firmly if we could set up another meeting to go over their offer in further detail. This action showed that we were prepared to communicate with them more and made sure we knew exactly what they wanted from us. It turned out to be a wise decision because it kept us in touch and prevented us from losing them. I made it.

2.1.5 Lessons learned & Future Actions

As I think back on this crucial event, I've discovered a number of important insights that have greatly impacted the way I approach client management and leadership. Even though planning is frequently required to meet quality goals, there are times when things do not go as expected. In these cases, it is critical to be prepared to respond appropriately. Additionally, I discovered the importance of active listening and how it promotes transparency and trust. I was able to better meet the client's needs and keep their trust in our collaboration by paying close attention to their worries. Setting a good tone and demonstrating confidence through body language helped breaking the ice and promote a more productive conversation. In conclusion, this event

highlighted the interaction between being well-prepared and the ability to be adaptable, which are soft skills I will do mine for my future endeavors.

2.2 Second Critical Event

2.2.1 An Overview of The Incident

"Trust lies at the heart of a functioning, cohesive team. Without it, teamwork is all but impossible" (Lencioni 2002). On June 20, in the morning, during the second week of the Business in Practice program, this statement became sharply clear to me. It was during the second year of decision-making as a group of directors for Vector that my trust in one of my team members was severely tested.

During the tenth quarter, we were already facing significant difficulties. The company's worth, in terms of its Economic Value Added, had fallen to \$759.99 million, one of the lowest levels in our six years of decision-making, from \$1.93 billion in the fourth quarter.

This visible decline in the overall company's value had added even more pressure on me.

I recall being really discouraged that morning because of our low ranking among the other teams. All of the sudden, an unforeseen incident made things even more difficult. That morning, one of the two co-Directors of Operations was unable to continue working, therefore the other director assumed complete responsibility for the department.

As often happened, a system's manager recommended discontinuing vehicles, more precisely the Business 135H model, one of the cars that we had in our portfolio at that time. Overwhelmed, and without consulting anyone, the remaining director accepted the recommendation. I cannot forget my disappointment to the decision taken.

That choice turned out being a complete disaster, causing a loss of \$1.34 billion and further demoralizing the team. We were already unsure of the decisions we had taken as a team and if they would produce positive outcomes in the near future, so the timing of this mistake could not have been worse. What a coincidence, I think. Moreover, our team's struggles as I

mentioned earlier, were made worse by unpredictable events and the company's declining score, which resulted in internal disagreements that soured my time as part of the board of directors.

2.2.2 Reflections from My Personal Diary: Before and After the Incident

I vividly recall how, in spite of the two finance directors' frequent assurances that we would see the results of our investments in the future, our low score and our low ranking among the teams served as my primary sources of sadness. Seeing our team compete without being able to top the list was demotivating, especially after spending so much time to crafting plans in order to make more informed decisions. I also remember how the group's motivation dropped following the incident. We paid a heavy price for the mistake, particularly in terms of team spirit, everything at that point was focused on the score and our goal of being ranked first overall. We expected the score to drop off after such a big loss, which really irritated me.

According to the literature, and in particular a study conducted on a group of students participating in a Gamified learning experience similar to ours, it became clear that, using Nicola Whitton's scale, the level of participation in the competition was positively correlated with motivation for learning rather than seeing themselves as winners of the competition itself (Covrig et al. 2023).

In our case, the motivation at that moment of the simulation did not depend so much on the desire to learn but was strongly influenced by our position in the overall rankings. We knew only one word during that period: winning.

2.2.3 The Importance of a Constructive Dialogue

Given the importance of creating a supportive context, we had a workshop in the afternoon led by Professor Miguel after the incident. The exercise required us to gather in groups for 30 minutes to discuss what was not working within the team. Characterized by my Cool Blue traits, I immediately saw this as the perfect opportunity to address the issue.

As soon as we all sat down, the tension in the room was palpable. I realized that I was not the only one frustrated; my colleagues felt the same way. Cautiously, I brought up the topic, and it was as if a dam had broken. Everyone began to share their thoughts on the incident. Despite my irritation, I knew that being too impulsive could have negative effects, making the responsible person feel intimidated or mortified.

Therefore, I tried to foster a supportive and understanding atmosphere underlining that learning was our goal and that making errors is a necessary part of the process. Moreover, I shaded some lights on the importance of engaging with productive conversations aimed at preventing similar errors in the near future by acting with caution and patience.

My approach was in line with the intent of creating a supportive environment where everyone felt safe to express their concerns and collaborate in making more informed decisions.

2.2.4 Collaboration as the Key to Prevent Future Mistakes

After the occurrence, it was evident right away that there was a need for an in-depth review of issues like the lack of dedication, attention, and teamwork related to the girl that morning was in charge of the department. According to the literature, what matters most for collaboration is not the personalities, attitudes, or behavioral styles of team members, but certain conditions that are critical for team success, such as a compelling direction, a strong structure, and a supportive context (Haas and Mortensen 2016). These observations, in my opinion, could provide an insightful guidance on what I may have done to prevent the incident and are directly applicable to the Operations Director's decision-making process.

During that period, when tension was already high due to our score, it was necessary to establish a compelling direction. I believe our team needed a much clearer and more shared vision to better guide our decisions. I always remind myself if had we given a strong plan of action, the remaining director could have been more reluctant to move forward and accept the

recommendation autonomously without first engaging the team, seeing how crucial it was to be aligned with the shared values and vision of the group as a whole.

2.2.5 Reflection on the Peer Evaluation

Throughout the course of the program, we were required to deliver the Self and Peer Evaluation, which is a framework for evaluating team members and oneself to determine whether one's own expectations line up with those of others. I remember that the day following the incident, the professor gave us the assignment of evaluating our teammates. This timing could not have been more crucial, forcing me to consider the choices and behaviors taken during a period of extreme stress and frustration. Undoubtedly, the episode had a significant negative impact on the evaluation of the responsible director.

2.2.6 The importance of Managing Expectations

It's vital to understand who you are working with since sometimes your expectations may differ from reality. I believe each team member brought their own unique background and skill set to the table. To build a cohesive and successful team, it is imperative to acknowledge and value these distinctions. Expectations, however, frequently diverge from real capabilities, resulting in conflicts. I personally believe that an effective team needs to be skilled at spotting gaps and filling them with support from one another. It is critical to evaluate each member's abilities and weaknesses objectively and to foster an atmosphere where people feel comfortable sharing their struggles and asking for support.

2.2.7 Lessons learned & Future Actions

Based on what happened, a few takeaways have become more evident to me. First of all, the importance of collaboration and creating an environment in which everyone feels safe to speak out. When it comes to making group-based decisions, open and transparent communication becomes crucial. I also believe that incorporating Peer Evaluation within a context such as the simulation have provided priceless insights into team dynamics, ensuring that everyone felt

aligned with the vision of the group. This framework helped us to foster accountability and in highlighting potential areas for improvement.

For the future, I will definitely focus on fostering an environment of transparency and clear collaboration. This includes setting accurate guidelines for decision-making and encouraging open lines of communication.

3. Final Reflections

This concluding paragraph highlights the importance of responding quickly and reflecting on significant events that can provide opportunities for personal growth. In particular, the first critical event taught me that, despite meticulous preparation, it is sometimes important to understand your surroundings and be able to adapt to any context. Furthermore, it emphasized how maintaining calm and demonstrating confidence under pressure can be crucial, opening new opportunities that seemed closed off.

Instead, the second incident marked a turning point throughout the BiP program because it demonstrated how fragile trust could be and how important it is to have sincere and open communication when making informed decisions as a group.

Furthermore, the opportunity to evaluate oneself and the team through the Self & Peer Evaluation Framework proved to be vital.

This exercise revealed that my vision of keeping the team on track was reflected in my colleagues' evaluations (see Figure 21). On the other side, some discrepancies emerged, highlighting areas for my future improvement.

Often, we can feel too confident in our abilities, and this exercise helped me a lot to keep myself grounded, encouraging better reflection when necessary.

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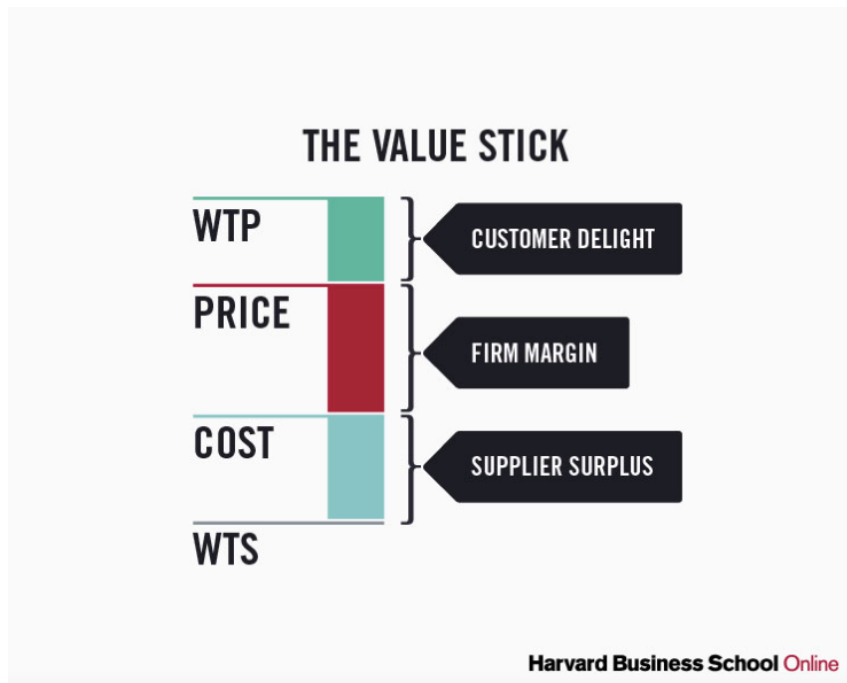
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Appendix

FIGURE 1: “The value stick has four components, representing the value a strategy can bring different stakeholders.” (Boyles 2022).



Source: <https://online.hbs.edu/blog/post/what-is-business-strategy#:~:text=It%20helps%20leaders%20set%20organizational,and%20cost%20of%20raw%20materials>

FIGURE 2: Business Level Strategies; Focus on *Differentiation Strategy*.

		Competitive Advantage	
		Lower Cost	Differentiation
Competitive Scope	Broad Target	1. Cost leadership	2. Differentiation
	Narrow Target	3 A. Cost focus	3 B. Differentiation Focus

Source: (Porter 1985). See Bibliography.

FIGURE 3: Highest Employee Engagement Award



Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 4: Days of Inventory (KPIs)



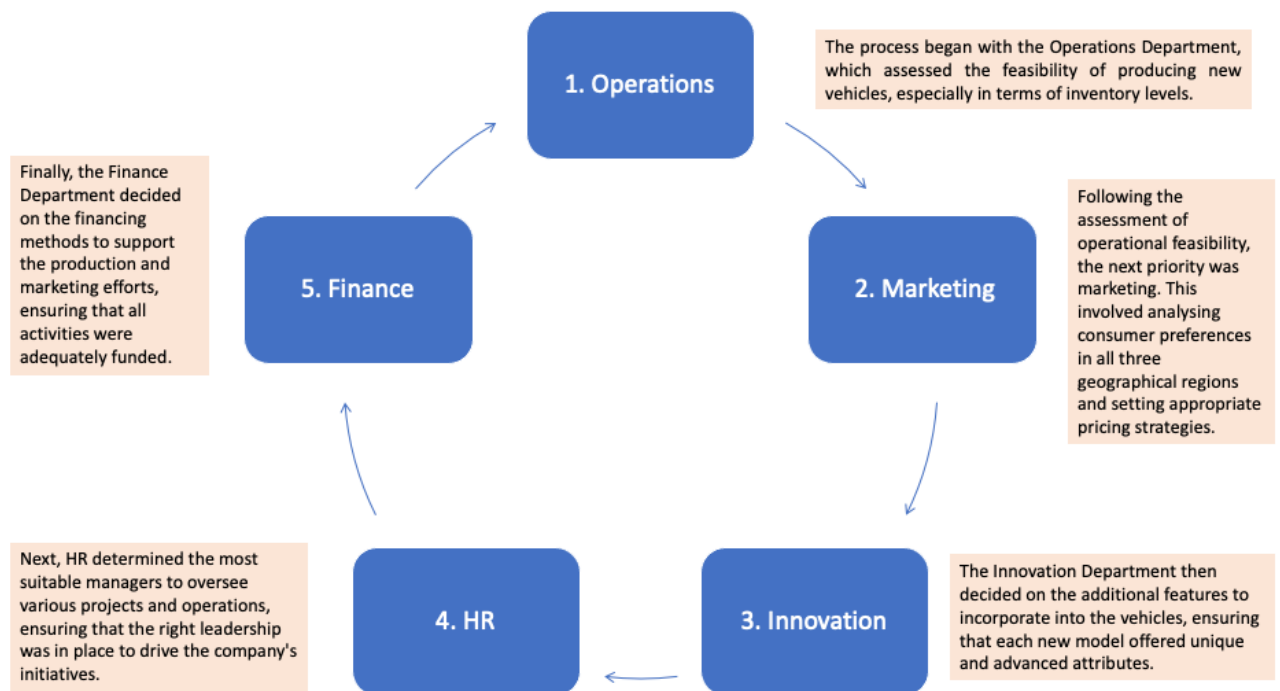
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 5: Debt Ratio (KPIs)



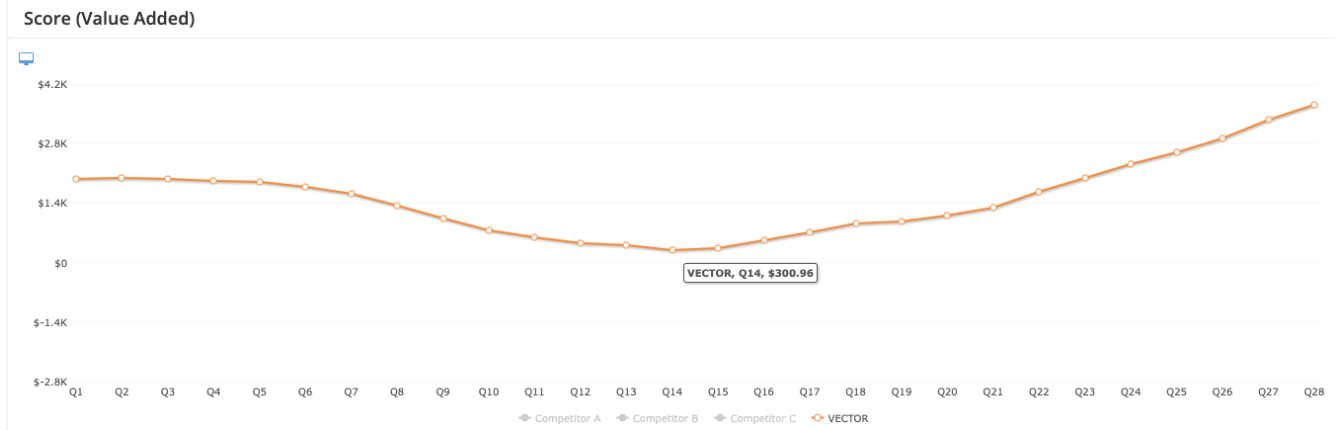
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 6: Exploiting Resources through Decision-Making Process (VRIO framework)



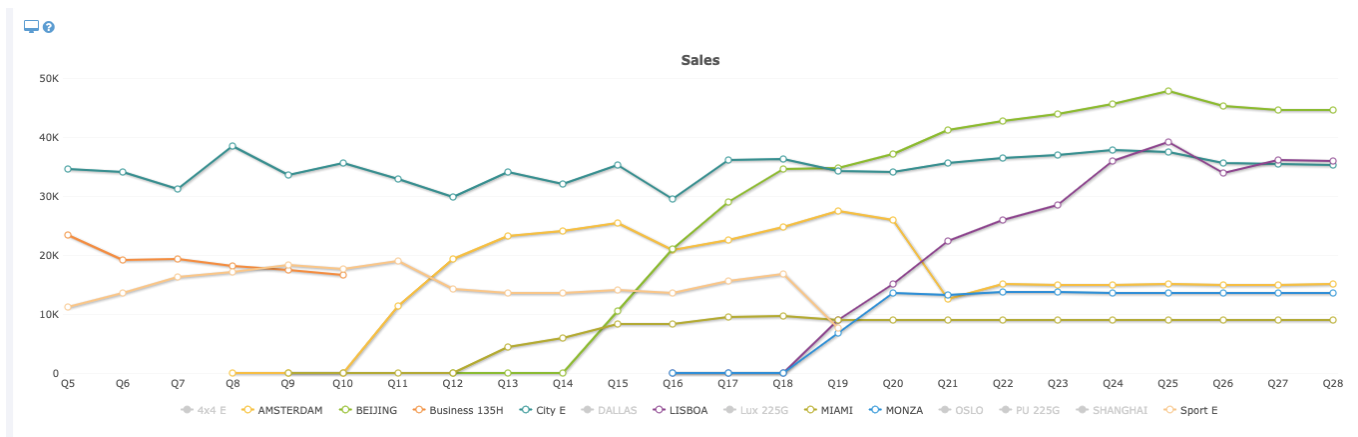
Source: Own illustration. Organizational Resource within the VRIO framework (Barney 1991)

FIGURE 7: Economic Value Added (Score) of Vector



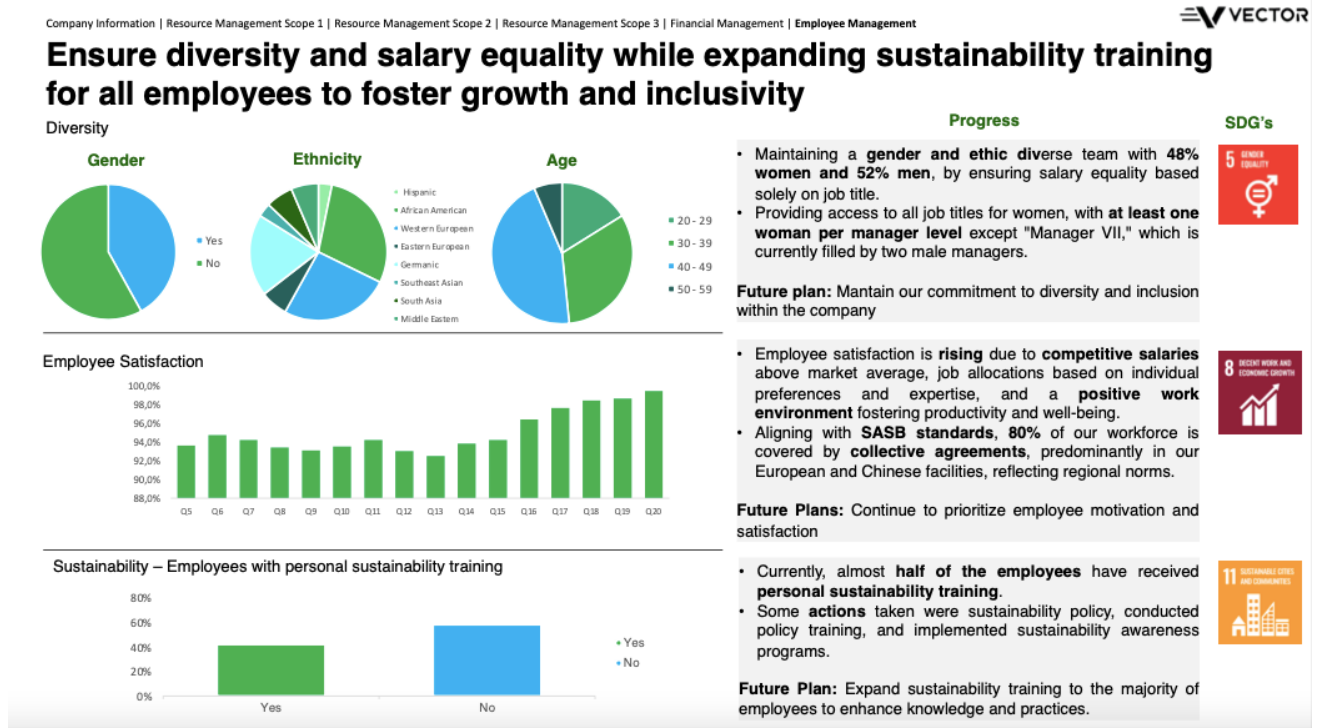
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 8: Sales Graph



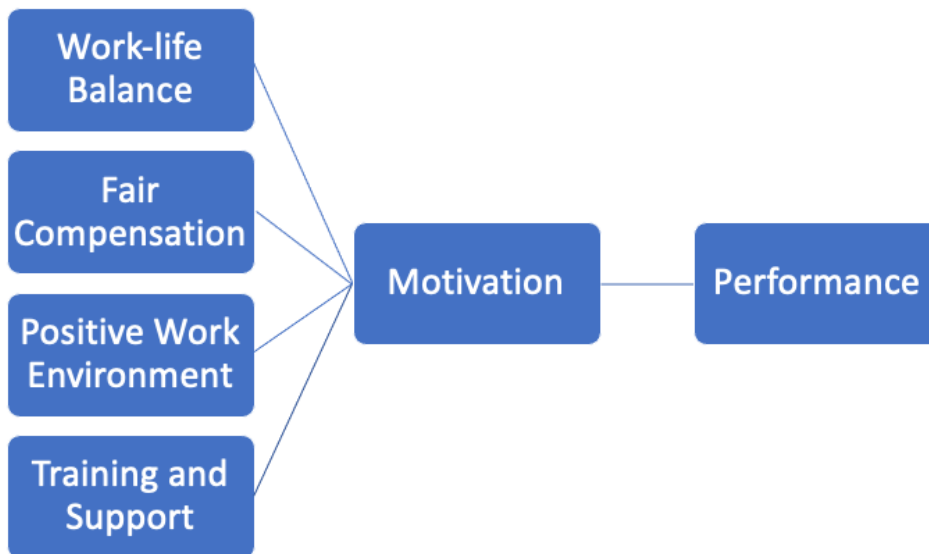
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 9: ESG REPORT. Employee engagement.



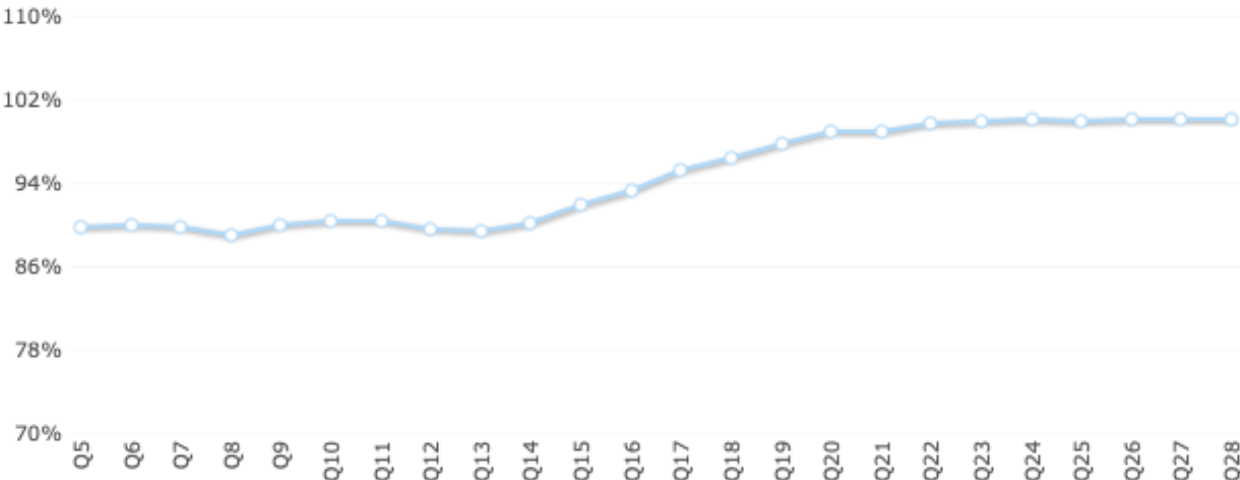
Source: Own Illustration. ESG Report. BiP Industry Master's Simulation – Vector Motors 2023/24

FIGURE 10: Performance Drivers



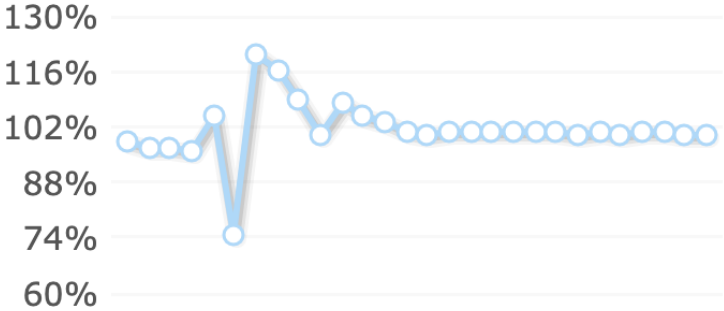
Source: Own Illustration.

FIGURE 11: Levels of Motivation among Vector’s Employees



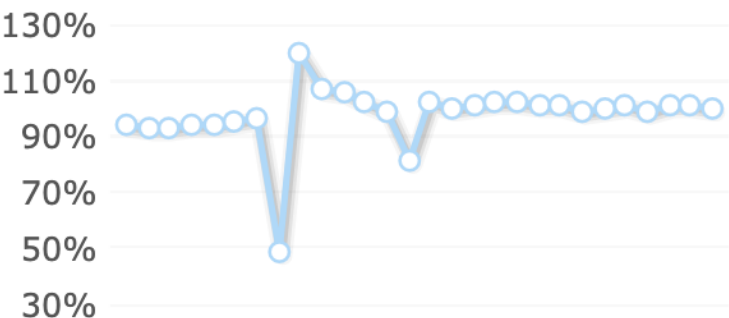
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 12: Workload Graph in Europe



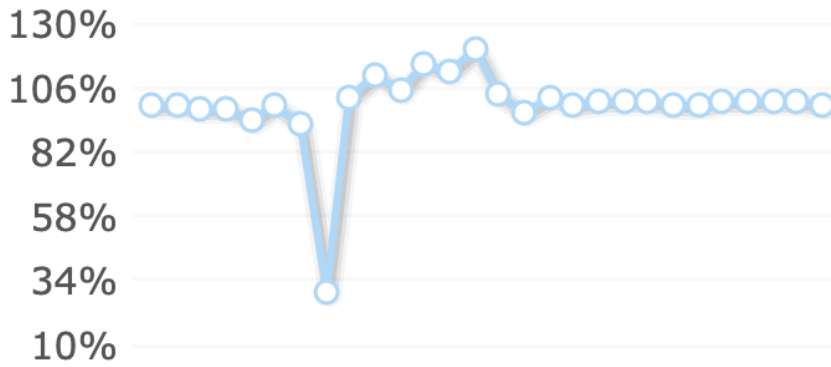
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 13: Workload Graph in China



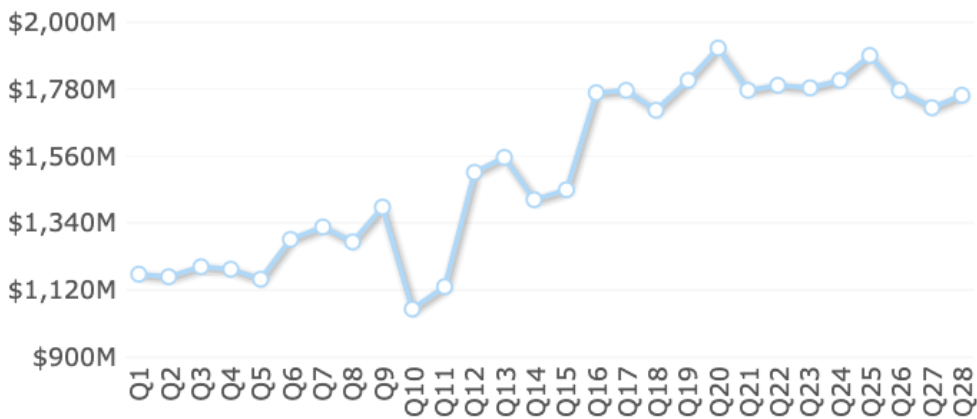
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 14: Workload Graph in the USA



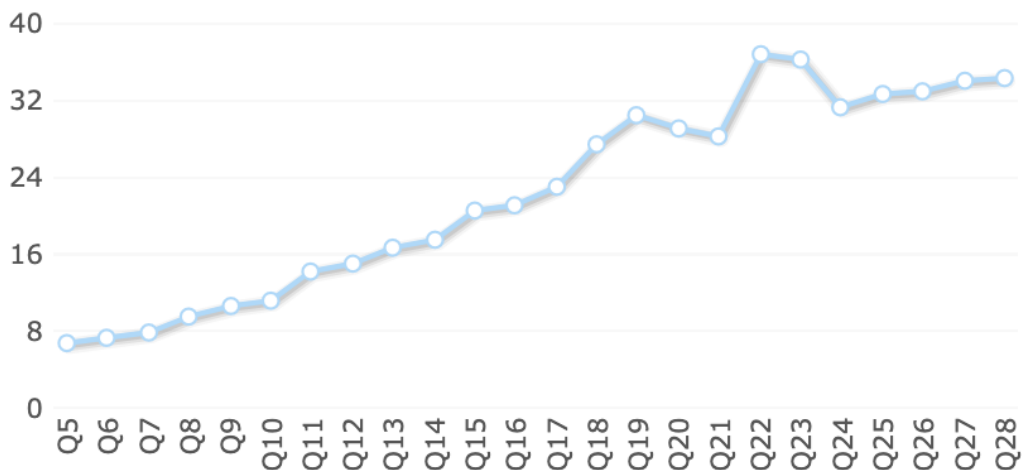
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 15: Staff Expenses Graph



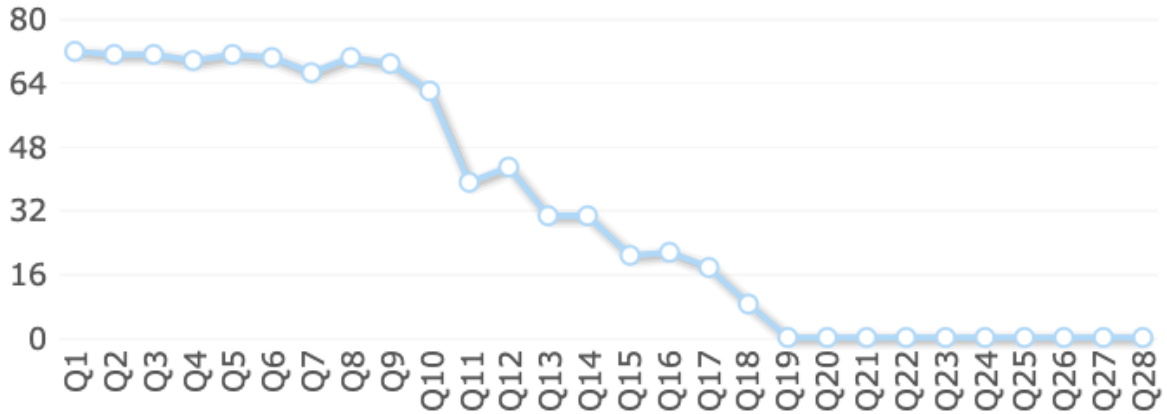
Source: BiP Industry Master’s Simulation – Vector Motors 2023/24

FIGURE 16: Sustainability Level Skills Graph



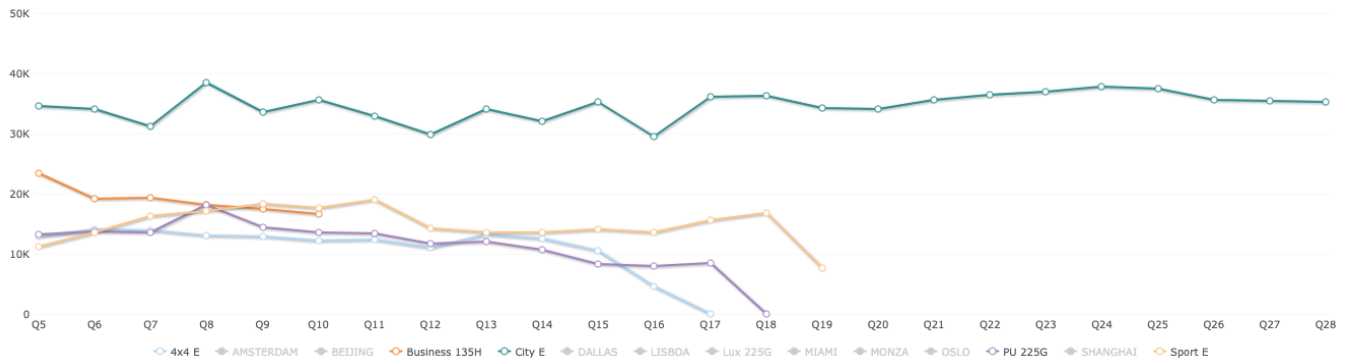
Source: BiP Industry Master's Simulation – Vector Motors 2023/24

FIGURE 17: CO2 Fleet Emissions (g/mile) Graph – Vector Motors



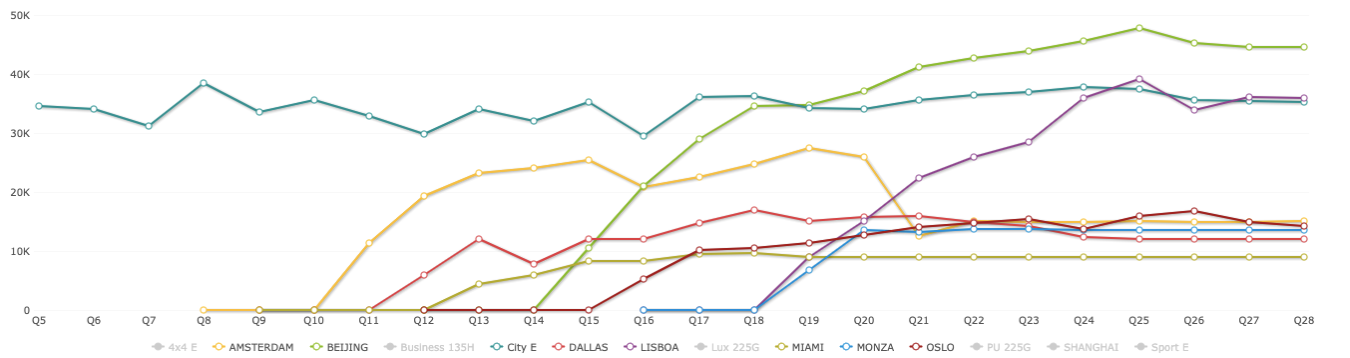
Source: BiP Industry Master's Simulation – Vector Motors 2023/24

FIGURE 18: Vector's Fleet in the beginning of the simulation. Sales Graph.



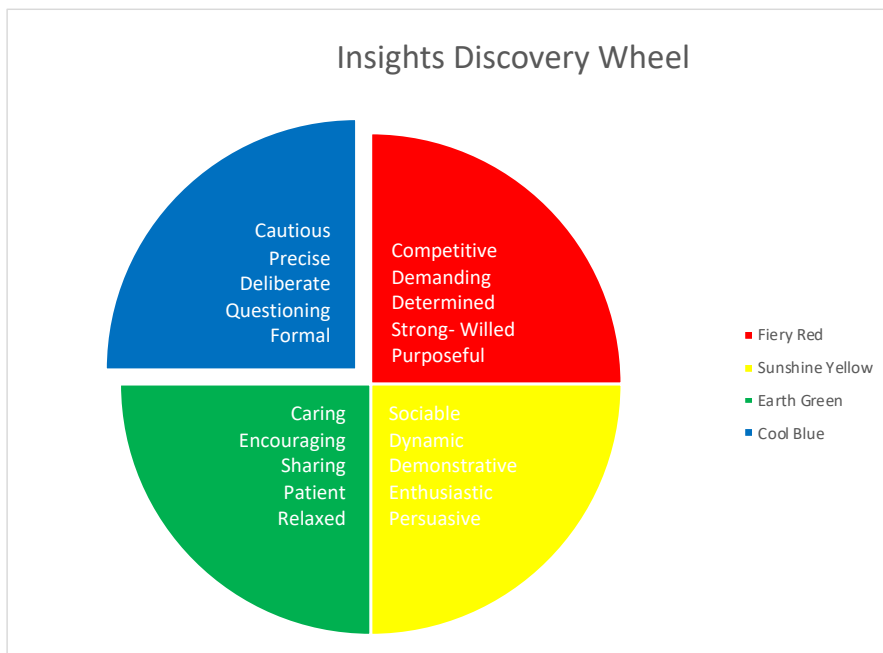
Source: BiP Industry Master's Simulation – Vector Motors 2023/24

FIGURE 19: Vector's Fleet at the end of the simulation. Sales Graph.



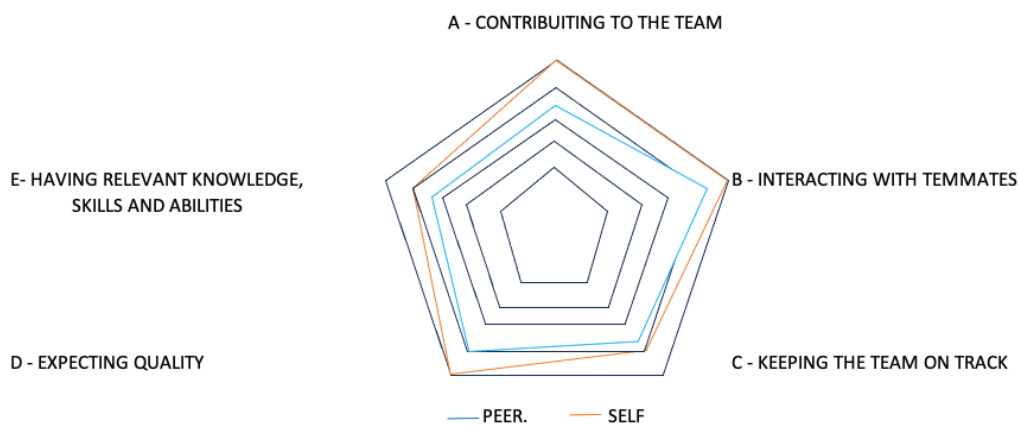
Source: BiP Industry Master's Simulation – Vector Motors 2023/24

FIGURE 20: Insights Discovery Wheel



Source: Own Illustration. Based on Insights Discovery® personality test.

FIGURE 21: Business in Practice - Peer & Self-Assessment.



Source: Own Illustration. BiP Industry Master's Simulation.