

A Work Project, presented as part of the requirements for the Award of a Master's degree in  
Management from the Nova School of Business and Economics.

Business in Practice: Personal Development and Strategic Decision-making in the  
Automotive Industry

Olga Grubanov

Work project carried out under the supervision of:

Dr. João Miguel Nogueira Baptista, PhD

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Abstract:

Business in Practice is a three-week, immersive working experience, requiring participants to manage a simulated automobile manufacturing company. This simulation is carried out within teams composed of diverse functional roles and cultural backgrounds. The experience was both inspiring and motivational. This report provides my personal reflections on this journey, alongside an analysis of the simulated company.

Keywords: Innovation, Electrical Vehicles, Sustainability, Teamwork, Simulation, Reflection

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## **1. Company Performance Analysis**

### *Introduction, Review of the Company & Structure of this section*

Mudança Motors is a global automotive manufacturer dedicated to pioneering the future of mobility through innovation, sustainability, and customer-centric strategies. Over the course of the simulation, the company transitioned from a traditional combustion engine car manufacturer to a leader in the electric vehicle (EV) market. This transformation was driven by a commitment to environmental responsibility and a strategic focus on cutting-edge technologies that meet the evolving demands of consumers and regulatory bodies. The company's overarching goal during the simulation was to establish itself as a fully electric vehicle manufacturer, with a strong emphasis on reducing CO2 emissions, enhancing operational efficiency, and achieving sustainable growth. Through strategic investments in AI-driven autonomous driving and vehicle-to-vehicle communication, as well as a comprehensive marketing strategy, Mudança Motors sought to position itself as a market leader in the automotive industry.

### *SWOT Analysis*

Mudança Motors capitalized on its carefully selected product portfolio and value-based pricing to offer high-quality vehicles at competitive prices. The company's strong environmental advocacy and strategic collaborations further enhanced its market position. However, as a newer market player, Mudança faced challenges in brand recognition and dependency on external suppliers. The rising demand for electric vehicles and government incentives provided significant growth opportunities, though intensifying competition and economic instability remained potential threats.

This section of the report will provide an in-depth analysis of Mudança Motors' performance, focusing on three key functions: Operations, Innovation, and Marketing. Each function will be reviewed in terms of its strategic objectives, execution, and impact on the company's overall performance. Academic theories and frameworks will be utilized to evaluate the decision-making process and provide insights into the company's journey throughout the simulation. The section will conclude with an integrated view of how these functions interrelate and contribute to Mudança Motors' success.

## **Innovation Department Review**

### *Introduction*

Innovation at Mudança Motors has been pivotal in navigating the industry's shift towards sustainability and electrification. Facing evolving markets and stringent regulatory demands, our strategy aimed to transform Mudança Motors into a leader in electric vehicles (EVs) through advanced technologies like AI-driven autonomous driving and vehicle-to-vehicle (V2V) communication. This comprehensive, forward-thinking approach ensured that innovation was aligned across departments, syncing with both market trends and operational capabilities. As David, David, and David (2020) emphasize, effectively managing innovation is essential to securing a competitive advantage in rapidly evolving sectors like the automotive industry.

### *Strategic Innovation Focus*

Our innovation strategy was structured around three critical pillars: electrification, autonomous driving, and connectivity. Early investments in AI-driven autonomous driving, modeled after leaders like Waymo, positioned us at the forefront of this technology. By integrating AI with our existing EV offerings, we provided a more advanced, future-ready driving experience. This strategy reflects the Resource-Based View (RBV), emphasizing how

unique internal capabilities can be leveraged to maintain a competitive edge (Sirmon, Hitt, & Ireland, 2007). One of the standout innovations was the introduction of sodium-ion batteries, a key strategic move that reduced production costs for electric vehicles. This decision was part of a broader effort to make EVs more accessible to a larger market, mirroring industry trends toward affordable and sustainable energy solutions (Capgemini, 2020). By lowering the cost barrier, Mudança Motors was able to attract price-sensitive customers while maintaining profitability. In addition, the development of V2V communication technologies enhanced both safety and vehicle performance, positioning Mudança Motors as a pioneer in smart transportation networks. This connectivity allowed vehicles to communicate in real-time, improving traffic efficiency and laying the groundwork for future autonomous driving advancements. (Table 1) summarizes our EV models, each reflecting these strategic pillars and tailored to meet evolving market demands.

#### *Innovation Framework and Execution*

Mudança Motors employed a phased innovation approach to manage the risks and maximize returns associated with new technology adoption. We first focused on building a solid EV portfolio, gradually incorporating advanced features such as AI and V2V communication to ensure our vehicles remained competitive in a rapidly changing market. This phased approach allowed us to align innovation investments with consumer needs while ensuring operational feasibility. Our long-term innovation strategy was guided by the Three Horizons of Innovation model (McKinsey & Company, 2019). Horizon 1 involved maintaining our market share through established EV models, while Horizon 2 saw the expansion of our offerings with more advanced, AI-integrated vehicles. Finally, Horizon 3 focused on exploring future innovations like fully autonomous driving and enhanced vehicle connectivity.

(Figure 1) illustrates how we synchronized technological investments with model launches to maximize market impact. Additionally, (Figure 2) details our strategic milestones over 14 quarters, highlighting our growth through each phase of innovation. McKinsey's findings (2020) support the effectiveness of our approach, noting that balancing immediate market demands with long-term innovation goals is key to sustained success in the automotive industry.

### *Impact of the Innovation Department*

Mudança Motors' robust innovation strategy had a profound impact on both market share and profitability. Our shift to a fully electric vehicle portfolio significantly reduced environmental penalties while bolstering our market position. This strategic transition not only enhanced our brand reputation as a sustainability leader but also demonstrated the financial viability of our innovation investments. The success of this strategy highlights the importance of dynamic capabilities in adapting to market shifts and emerging technologies (Teece, Pisano, and Shuen, 1997). Our innovations in sodium-ion batteries and AI-driven autonomous driving also contributed to a substantial reduction in CO2 emissions. This is evident in (Figure 3), which vividly illustrates the positive environmental impact of our innovation efforts, particularly in lowering fleet emissions. These achievements are a testament to our commitment to sustainability and innovation as intertwined drivers of success. Moreover, cross-functional collaboration played a critical role in the successful execution of our innovation strategy. Close coordination with the operations and marketing departments ensured that new technologies were seamlessly integrated into our overall business strategy. This collaboration enabled rapid adaptation to market fluctuations and optimized resource allocation, ensuring that our innovation efforts translated into tangible business outcomes.

In conclusion, the success of Mudança Motors' innovation strategy underscores the critical role of aligning technological advancements with broader business objectives, all while maintaining a flexible, dynamic approach to market changes. This holistic approach not only strengthened our competitive position but also laid the foundation for continued growth and leadership in the evolving automotive landscape.

## **Operations Department Review**

### *Introduction to Operations Strategy*

The operations department played a critical role in aligning production capacity with the shifting demands of the market, especially as Mudança Motors transitioned from combustion vehicles to electric vehicles (EVs). Our flexibility in reallocating resources allowed us to respond quickly to the rapid changes in both the environment and technology, demonstrating the dynamic capabilities that are essential in today's fast-moving automotive industry (Wiley, 2008). This adaptability ensured that we maintained short-term operational efficiency while simultaneously preparing for the long-term sustainability goals of the company, positioning Mudança Motors as a leader in EV production.

### *Strategic Approach to Operations*

A key part of our operations strategy was to allocate factory capacity based on the market potential of each vehicle model. For instance, we scaled back production of older combustion models like the 135H and ramped up production for electric models, such as the 4x4 E and Model N. By Quarter 10, we had increased EV production lines by 15%, a clear reflection of

our ability to meet growing market demand with agility (Emerson, 2003). Inventory management was another cornerstone of our strategy. Monitoring Days of Inventory (DOI) allowed us to adjust production rates, ensuring that we avoided overstocking while optimizing profitability. In Quarter 6, for example, we reduced production for City E and 4x4 N, aligning supply with demand more effectively (Vakratsas & Ambler, 1999). (Figure 4) illustrates how we proactively managed these fluctuations in inventory, keeping our operations lean and responsive to market shifts. Additionally, we used product relaunches as a strategic tool to extend the lifecycle of models like Sport E and 4x4 E, maximizing value without incurring the high costs associated with new model development. This approach helped us stay competitive in a fast-evolving market.

### *Efficiency and Sustainability*

Sustainability was a central element of our operations strategy, reflecting broader trends in the automotive industry (McKinsey & Company, 2021a). We made significant investments in reducing water consumption and other environmentally harmful practices, which not only lowered production costs but also enhanced our Corporate Social Responsibility (CSR) profile. These efforts resonated with environmentally conscious consumers, driving demand for our EVs. (Figure 5) shows the breakdown of our sustainability investments, highlighting our commitment to reducing our environmental footprint. Factory utilization was another critical area of focus. By optimizing production processes, we were able to reduce waste and improve efficiency, ensuring that our operations remained competitive. (Figure 6) demonstrates how effectively we utilized our production capabilities, keeping our environmental impact low while maintaining a high level of operational efficiency. This

careful balance allowed Mudança Motors to remain a strong player in the EV market, while adhering to sustainable manufacturing practices that aligned with our long-term goals.

### *Strategic Growth and Profitability*

As demand for EVs surged, we encountered capacity constraints, which required strategic expansion. In Quarter 16, we decided to build a new factory in the USA to take advantage of tariff benefits and to better serve the growing North American market. This decision was crucial for sustaining our growth trajectory, as illustrated by (Figure 7), which shows how this expansion contributed to our increasing EV sales (McKinsey & Company, 2021b).

Profitability was further enhanced through strategic adjustments in pricing and the expansion of production lines for high-demand models, such as the Model X. In Quarter 20, we added a second production line for the Model X and optimized its pricing, which significantly improved both margins and market share. This strategy mirrored approaches taken by industry leaders like Tesla, who have used similar tactics to dominate market penetration (Reuters, 2023).

### *Sustainability and ESG Integration*

One of the most significant aspects of our operations was our focus on Environmental, Social, and Governance (ESG) initiatives. We made targeted investments across Scopes 1, 2, and 3 to reduce greenhouse gas emissions and improve energy efficiency throughout our supply chain. By Quarter 19, we had completed major sustainability investments, including water consumption reduction, ISO 14001/EMAS certifications, and solar panel installations. These steps not only positioned us as a greener company but also aligned with our fully electric

strategy. In total, these investments amounted to nearly \$1.9 billion, underscoring our commitment to reducing our carbon footprint.

### *Conclusion and Outlook*

Mudança Motors' operations strategy effectively balanced efficiency, sustainability, and growth, helping the company navigate the complex and ever-evolving automotive landscape. By aligning production capacity with market demand, optimizing inventory, and strategically expanding facilities, we were able to support the company's growth while also adhering to long-term sustainability goals. This strategy positioned Mudança Motors for continued success in the future, ensuring that we remain a leader in both sustainable manufacturing and vehicle innovation (FourWeekMBA, 2023).

## **Marketing Department Review**

### *Introduction to Marketing Strategy*

At Mudança Motors, the Marketing department played a central role in shaping the company's overall strategy, serving as the foundation for all decision-making processes. Our goal was to ensure our portfolio aligned with both market demands and competitor strategies, offering customers vehicles that provided exceptional value. The customer-centric approach, rooted in real-time market insights, guided all of our decisions, from product launches to promotional efforts. Managing customer-based brand equity, as Keller (1993) highlighted, went beyond product quality; it required thoughtful, consistent messaging, fostering both engagement and long-term loyalty. Our electric vehicle branding efforts, along with strategic

partnerships with social influencers, helped Mudança Motors position itself as a leader in environmentally conscious driving, appealing to an evolving consumer base. The use of digital marketing channels was a game changer for us. It enabled us to gather real-time consumer insights, allowing us to pivot our strategies as needed to stay relevant in a rapidly changing market. This adaptability was key to maintaining both customer engagement and brand loyalty.

### *Strategic Marketing Approach*

Our marketing strategy was anchored in a value-based pricing approach, ensuring high-quality vehicles at competitive prices. This required continuous adjustment to both pricing and marketing investments, in response to market conditions and the vehicle model's stage of maturity. As Hultink et al. (1997) emphasized, the effectiveness of product launch strategies significantly affects development performance. Vehicles nearing 120% maturity required price reductions and increased marketing efforts to attract buyers while maintaining a target profit margin of 30-40%. Our decisions followed the 4Ps framework—Price, Product, Promotion, and Place—each component strategically aligned with the company's broader objectives. Pricing was especially critical, as it had to reflect both the car's market position and maturity. Adjustments were made round by round to ensure that our portfolio stayed competitive. Moreover, marketing's close collaboration with the Innovation department ensured that each new model not only met current consumer demands but anticipated future trends. Another key aspect was how we approached distribution. As Frazier (1999) noted, optimizing distribution channels was vital for ensuring that our vehicles were available in markets where demand was highest, maximizing profitability while responding to shifting market trends.

### *Promotional Strategy and Marketing Investments*

Promotion was instrumental in shaping Mudança Motors' brand image, especially in a competitive industry where consumer loyalty was not guaranteed. Our promotional strategy relied heavily on data-driven marketing insights, allowing us to fine-tune our investments in customer promotions, online campaigns, and training/service programs. By Quarter 9, these investments accounted for 30-40% of our budget, and this data-driven approach was crucial for refining our strategy as we moved forward. Early investments in social media influencer partnerships and data-driven marketing analytics were particularly effective. They helped maintain our brand's visibility and ensured that we remained top-of-mind for consumers. Our bi-quarterly electric vehicle branding campaigns were another key element of our promotional strategy, reinforcing our position as a leader in the EV market. Vakratsas and Ambler (1999) emphasized the importance of understanding how advertising works in maximizing promotional effectiveness, which was something we applied rigorously to optimize our marketing efforts. We also introduced innovative marketing tools, such as an *Augmented Reality showroom* and the "Car for Everyone" campaign, which resonated with a broad consumer base and showcased our commitment to accessibility and inclusivity. These initiatives were particularly effective in highlighting Mudança's focus on providing an "above-average" customer experience.

### *Car Lifecycle Management*

Managing the lifecycle of our vehicles was another key aspect of our marketing strategy. As each model progressed through its lifecycle, we adjusted our marketing efforts accordingly.

Restyling vehicles and incorporating new technology allowed us to extend the appeal of each model without requiring the development of entirely new products. This not only reduced costs but also kept customer interest high. We closely monitored vehicle maturity. Whenever a model reached 120% maturity, we adjusted the price and ramped up marketing efforts to sustain demand while maintaining a healthy margin. As Rink and Swan (1979) highlighted, lifecycle management is critical for maintaining profitability and market relevance, and our approach ensured that each vehicle in our portfolio remained competitive for as long as possible.

### *Conclusion*

The marketing strategy at Mudança Motors successfully positioned the company as a “value for money” brand, offering vehicles with high quality and competitive pricing. By keeping the customer at the heart of our decisions, we were able to adapt to changing market conditions while staying aligned with our broader business objectives. The department’s ability to manage market information and collaborate with other functions, especially Innovation and Operations, was crucial in achieving our business goals. Porter (2012) emphasized the importance of aligning marketing strategy with broader business objectives, a principle we followed closely to navigate the competitive automotive landscape.

Through thoughtful pricing strategies, innovative promotions, and efficient lifecycle management, we were able to maintain a strong market position and deliver consistent value to our customers. (Figure 8) visually illustrates Mudança Motors' competitive positioning in the automotive market, highlighting our success in balancing price and quality to maintain our value-for-money strategy.

## Integrated View Across Functions

Throughout the simulation, the synergy between Marketing, Operations, and Innovation at Mudança Motors was pivotal, demonstrating a seamless interconnection where decisions in one area significantly influenced outcomes in others. Marketing insights were crucial, not just in shaping promotional strategies but in directly influencing operational adjustments. For example, excessive inventory of Model N triggered a strategic marketing response, increasing promotional efforts which led Operations to effectively manage capacity by adjusting production lines (Q10, Q11). This dynamic adjustment ensured that inventory levels were optimized without sacrificing sales potential.

When Lux sales dwindled, Marketing quickly adjusted the pricing strategy, which in tandem with Operations' decision to discontinue the model, allowed us to reallocate resources towards more profitable models (Q10). This exemplifies the tight integration between market-driven strategies and operational execution.

Innovation was equally transformative, particularly with the integration of sodium-ion batteries, which not only reduced costs but also necessitated adaptations in production lines to support the new technology (Q5, Q7). Similarly, the strategic decision to delay AI investments aligned innovation timelines with operational capacities, ensuring that new technologies were rolled out without straining resources (Q5). This synchronization between Innovation and Operations was crucial for seamless technology integration, supporting Mudança Motors' strategic objectives without disrupting core operations.

Furthermore, Marketing and Innovation collaboratively focused on customer-driven innovations, such as the strategic decision to develop an electric pickup truck for the U.S. market. This decision was informed by marketing analytics indicating a shift in consumer demand towards electric vehicles and a corresponding need to phase out gasoline-powered models (Q10). By aligning innovation efforts with market demands, we ensured that our technological advancements not only met but anticipated consumer needs, providing Mudança Motors with a distinct competitive advantage.

In conclusion, the robust interdependencies among Marketing, Operations, and Innovation enabled Mudança Motors to maintain agility and responsiveness throughout the simulation. Marketing insights directly influenced operational strategies and innovation directions, proving essential in our transition to a fully electric vehicle portfolio. These interconnected decisions underscore the significance of cross-functional collaboration in not just meeting but exceeding strategic goals, highlighting the comprehensive and integrated approach essential for success in today's competitive automotive industry.

### Conclusion: Overview of Key Ideas and Lessons Learned

The simulation at Mudança Motors offered critical insights into the complexities of the automotive industry. Agility and data-driven decision-making were essential in navigating our transition from combustion vehicles to electric vehicles (EVs), showing the importance of quickly adapting to market shifts. By aligning strategies with consumer preferences, we maintained competitiveness and successfully integrated sustainability into our core operations. A key takeaway was the interdependence of business functions. The success of operations, marketing, and innovation depended on their collaboration. Operational adjustments were based on market data, while innovation responded to consumer demand,

showing how cross-functional coordination drives business success. This interconnectivity allowed Mudança Motors to respond swiftly to technological and market developments. The focus on sustainability emerged as one of the most valuable lessons. Investments in sodium-ion batteries and autonomous driving technologies demonstrated that sustainability is more than just a regulatory requirement—it is a competitive advantage. As consumer expectations and regulations continue to prioritize sustainability, businesses that innovate in this area will be positioned for long-term success. From a strategic perspective, our shift towards electric vehicles not only reduced environmental penalties but also strengthened our market position. The integration of sustainability into operations became a key differentiator that appealed to eco-conscious consumers and lowered operational costs. Personally, this simulation reinforced the importance of strategic thinking and collaboration. Working with cross-functional teams deepened my understanding of how departments must align to achieve shared objectives. The ability to use market insights and operational data to guide decision-making is a critical skill I gained from this experience. The simulation also emphasized the need for adaptability. Being able to pivot quickly in response to market changes—whether reallocating resources or adjusting marketing strategies—was essential for sustained growth. This flexibility is a valuable skill that I will carry into future leadership roles.

In conclusion, this simulation provided me with vital business management skills and prepared me to navigate the challenges of the modern automotive industry. The balance of innovation, efficiency, and sustainability has equipped me to contribute effectively in future managerial roles, where agility and strategic foresight are key to success.

## **2. Personal Reflection and Critical Incidents**

### *Introduction and overview of the two critical incidents*

Reflecting on personal experiences is a key part of the Business in Practice (BiP) program at Nova SBE. This reflection helps students look back on their actions, decisions, and interactions during the simulation, allowing them to grow both personally and professionally. By thinking critically about important moments, participants gain a better understanding of how they performed and what they can improve for the future. It also encourages them to become more aware of their role in a team and how their decisions affect others.

This kind of reflection is especially important for developing leadership skills. It helps students get ready for real-world business challenges by teaching them how to adapt to changing situations and make better decisions. In this section, I will focus on two key incidents from the simulation that had a significant impact on me. The first was a decision about expanding our company by building a new factory, and the second was a client retention role play that tested our communication skills under pressure. Through these incidents, I will explore how these experiences helped me grow and what lessons I learned about teamwork, decision-making, and leadership.

According to Kolb's (1984) theory of experiential learning, personal reflection on real experiences is a critical step in transforming experience into knowledge and development. By applying this model, the reflection process deepens the learning gained from the BiP program and helps translate lessons into future action.

## Critical Incident 1: The Decision to Build a New Factory

### *Context and Background*

In the second week of the BiP simulation, our team faced a pivotal decision: whether to invest in a new factory. While our performance had been stable, an Industry Masters representative highlighted the risk of limited production capacity impeding future growth. This sparked a sharp division within the team, with differing views on the feasibility of the factory. One group, including myself, advocated for the bold move to build the factory, while the opposing side raised concerns about the risks involved, particularly with the limited time left in the simulation.

### *The Incident*

The team split into two distinct camps: one group, including myself, strongly advocated for taking the risk to build a new factory, believing that this bold move would allow us to meet future demand and overtake our competitors. The other group, however, felt that the risks were too high. They argued that with only a few quarters left in the simulation, the investment might not pay off in time, and we could end up financially burdened. This clash of opinions quickly escalated into a heated debate. I recall one particularly tense meeting where emotions ran high. One team member from the conservative side openly questioned my approach, suggesting that I was being reckless by pushing for such a risky strategy. He raised concerns about our financial projections, questioning the viability of the factory plan and accusing me of prioritizing short-term gains over long-term stability. His direct challenge felt personal, and it led to a more confrontational tone in the discussion.

At this point, the debate shifted from the technical aspects of the decision to a more emotionally charged argument about leadership and decision-making styles. I found myself in

a defensive position, trying to justify my approach while feeling increasingly frustrated by the resistance I was facing. Another team member backed me up, emphasizing that without taking risks, we would be stuck in second place indefinitely. This further escalated the tension as it seemed to imply that those opposing the factory plan were playing it safe and holding the team back. This confrontation highlighted deeper issues within the team. The conflict was not just about the factory but also about our decision-making process. Some members felt unheard, and certain voices were dominating. Ultimately, we decided to build the factory, but the process left some team members feeling marginalized. Although the factory improved our performance, the internal tension showed the need for better communication and inclusion. After this incident, we made an effort to ensure everyone's voice was heard, which improved our teamwork in the following weeks.

#### *Personal Reflection and Emotional Impact*

This incident had a significant impact on me, both personally and as a leader within the team. Being directly challenged by my peers was difficult to navigate, and I found myself questioning whether I was too forceful in pushing my agenda. I was frustrated, not only by the resistance but by the fact that the debate had turned so personal. This was a stark reminder of how fragile team dynamics can become when there is a lack of psychological safety (Toegel & Barsoux, 2016). Emotionally, I experienced a mix of anger and self-doubt. On one hand, I felt confident in the decision to build the factory and believed it was the right move for the company's growth. On the other hand, I started questioning whether I was being too aggressive in pursuing this strategy. The conflict left me feeling isolated at times as if I was pushing the team in a direction they weren't comfortable with. At the same time, I felt responsible for driving the team toward success and couldn't shake the fear of missing out on a key opportunity (Hadley & Mortensen, 2022). This tension highlighted the importance of

balancing assertiveness with empathy. While I was committed to the decision, I also realized that I needed to be more mindful of how my actions were affecting the rest of the team. My single-minded focus on building the factory had inadvertently alienated some team members, which could have long-term consequences for our collaboration.

### *Team Dynamics and Lessons Learned*

This critical incident exposed the underlying cracks in our team's communication and decision-making processes. The conflict forced us to address the fact that certain team members felt sidelined and that our decision-making had become too centralized around a few dominant voices, myself included. I realized that while it's important to lead with confidence, it's equally crucial to ensure that all team members feel heard and valued. The concept of psychological safety became a central theme in our team discussions after this incident. We recognized that the open conflict had stemmed from a lack of trust in the process and an environment where some team members felt they couldn't voice their concerns without fear of backlash (Duhigg, 2016). Moving forward, we made a conscious effort to improve our communication by creating space for everyone to contribute to discussions, even if their perspectives differed from the majority. I also learned the value of stepping back and allowing others to take the lead when necessary. Although I felt strongly about the factory decision, I realized that pushing too hard could lead to division rather than unity. This incident taught me that leadership isn't just about making bold decisions but also about fostering a collaborative environment where everyone feels invested in the outcome (Feitosa & Salas, 2020).

### *Personal Growth and Moving Forward*

This incident became a pivotal point in my development as a leader. One of the key lessons I learned was the importance of fostering a collaborative environment where all team members feel safe to share their perspectives without fear of judgment. Creating this kind of psychological safety is essential for productive conflict and effective decision-making (West, 2012). Moving forward, I will focus on enhancing my ability to facilitate open discussions that welcome diverse viewpoints. I recognize that while it is important to advocate for bold strategies when appropriate, it is equally important to be receptive to alternative perspectives. This will be particularly valuable in future leadership roles, where mutual respect and trust will play a crucial role in team success (Scouller, 2016). Additionally, I have realized the need to manage my emotional responses during high-pressure situations more effectively. Learning to remain calm and constructive during conflict will help me navigate difficult decisions with greater confidence and empathy. This incident has underscored the importance of adaptability and emotional regulation in leadership, qualities I am committed to developing further as I grow in my career (Bushe, 2010). By applying these lessons, I aim to become a more inclusive and resilient leader capable of guiding teams through challenging situations with poise and collaboration.

### Critical Incident 2: The Client Retention Role Play

#### *Context and Background*

In the final week of the Business in Practice (BiP) simulation, our team participated in a Client Retention role play exercise, which became one of the most significant and emotionally challenging moments of the entire experience. Earlier in the week, we attended a Client Retention Workshop where we learned about key communication techniques such as active

listening, effective questioning, and handling objections. We practiced these skills in preparation for a simulated client meeting, which was designed to test our ability to retain a key client who was considering ending their contract with our company. Unlike the first role play exercise, where we had selected team members who were confident communicators and experienced in public speaking, the rules of the second role play required us to choose representatives who had not previously participated. This meant that the remaining participants, including myself, were less experienced and less confident in these kinds of high-pressure client interactions. Despite knowing that I wasn't as strong a communicator as some of my other teammates, I was determined to approach this role play with the same dedication and preparation. We spent time strategizing, practicing active listening, and formulating potential responses to the objections we anticipated. I felt reasonably prepared in terms of content but was still anxious about how I would handle the inevitable pressure of the situation.

### *The Incident*

The role play itself took an unexpectedly difficult turn from the very beginning. The clients we faced were far more aggressive than we had anticipated, expressing dissatisfaction with nearly every aspect of our service. Their confrontational tone and rapid criticisms quickly threw us off balance. Although we had prepared for specific objections, the breadth and intensity of their dissatisfaction caught us off guard, and we struggled to regain control of the conversation. As the role play unfolded, it became clear that my initial confidence in our preparation was not enough to manage the escalating situation. I attempted to contribute to the conversation by asking questions and offering solutions, but each time I spoke, it seemed to inflame the clients further rather than soothe their concerns. The pressure of the situation led to cognitive overload, a common response when individuals are faced with unexpected

high-pressure scenarios (Knight, 2013). While I struggled to manage my anxiety and regain composure, one of my teammates, who was much more comfortable in these high-stakes scenarios, took the lead. She managed to ask the right questions, navigate the difficult conversation, and ultimately prevent the client from terminating the contract. Unfortunately, the rest of us, including myself, could offer little support. Every time I tried to contribute, I felt my words fall flat, adding to my frustration and sense of failure. This inability to step in and support my teammate left me feeling guilty and ashamed, even though I knew my limitations going into the exercise. The intense pressure of the moment, combined with the clients' aggressive tone, caused me to freeze, a response that I later recognized as stemming from a lack of experience in handling such high-stakes client interactions (West, 2002).

### *Personal Reflection and Emotional Impact*

This incident had a profound impact on me, particularly in terms of how I view my communication skills and my ability to perform under pressure. Before this role play, I had considered myself reasonably competent in business communication, especially when it came to planning and preparing for client interactions. However, the intense pressure of the situation exposed significant weaknesses in my ability to remain composed and articulate in real-time, high-stakes environments. One of the hardest parts of this experience was the emotional impact it had on me afterward. I was consumed with guilt for not being able to support my teammate during the role-play. The realization that I had frozen under pressure left me questioning my competence in handling difficult business situations, which was a humbling experience. The incident highlighted that despite my prior preparation, I was unprepared to manage the emotional toll that such a high-stakes confrontation can have, something I had not fully anticipated. This kind of cognitive overload, which affects decision-making and performance, often occurs in high-pressure situations where unexpected

factors cause individuals to feel overwhelmed (West, 2002). At the same time, this incident provided me with a valuable learning opportunity. It became clear that while technical preparation is important, the ability to remain calm and composed under pressure is equally critical. The guilt and self-doubt I experienced after the role play pushed me to reflect deeply on my communication style and emotional resilience. I realized that I needed to develop better strategies for managing stress in high-pressure situations, such as practicing mindfulness and improving my emotional regulation.

### *Team Dynamics and Lessons Learned*

One of the positive aspects of this incident was the way my team handled the situation afterward. Despite the intense pressure of the role play and my perceived failure, my teammates were understanding and supportive. This reinforced the importance of psychological safety within a team, where members feel safe to take risks and admit mistakes without fear of judgment (Johnson, Heimann, & O'Neill, 2000). My teammate who had carried the conversation acknowledged that the situation had been difficult for everyone and assured me that she did not hold any resentment for having to take on the majority of the work. The incident also underscored the value of preparation, not just in terms of understanding the material but also in preparing for the emotional and psychological challenges of difficult conversations. In future situations, I plan to focus more on mental and emotional readiness, ensuring that I am better equipped to handle the pressures of client-facing roles with greater resilience (Knight, 2013).

### *Personal Growth and Moving Forward*

This critical incident provided me with several key lessons. First, it highlighted the importance of emotional regulation and stress management in business settings. No matter

how well-prepared I felt beforehand, the intensity of the situation revealed gaps in my ability to remain calm and composed under pressure. This experience emphasized the need to continue developing my emotional resilience to handle high-pressure situations more effectively in the future (Ronayne, Sgroi, & Tuckwell, 2021). Second, this incident reinforced the importance of team collaboration and support. Although I felt I had let my team down, their understanding and encouragement helped me process the experience in a constructive way. Reflecting on this incident has taught me the value of fostering a supportive team dynamic, where individuals feel safe to contribute, even when they are out of their comfort zone. Finally, this experience taught me the value of preparation, not just in terms of content but also in terms of mental readiness. Moving forward, I will ensure that I am mentally and emotionally prepared to handle difficult conversations and client-facing roles. By building emotional resilience and gaining more real-world experience, I am confident that I will be better equipped to handle these challenges in the future.

## Conclusion and Review of Learning

Participating in the Business in Practice (BiP) program has been a transformative journey, both personally and professionally. The two key incidents I faced—the decision to build a new factory and the client retention role play—were pivotal in shaping my leadership style and self-awareness. These experiences taught me how to strike a balance between being assertive and truly listening to others, while also recognizing the importance of supporting my teammates.

Peer feedback was particularly insightful in helping me reflect on my strengths and areas for improvement. My peers frequently acknowledged my positive attitude, teamwork, and ability

to keep the team's morale high. However, they also pointed out that I need to be more vocal and assertive during discussions, especially when I'm unsure. This feedback aligned with my own reflections, as I've realized that, while I'm comfortable leading, I sometimes hesitate to speak up when I'm not completely confident in my perspective.

Looking ahead, I want to work on becoming a more confident communicator, making sure I'm fully engaged in all aspects of teamwork—even those that push me out of my comfort zone. By continuing to refine my communication and leadership skills, I know I'll be better equipped to navigate high-pressure situations and contribute more effectively to future teams. This reflective process has given me valuable insights that I'm eager to apply as I grow in future leadership roles.

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## Appendices

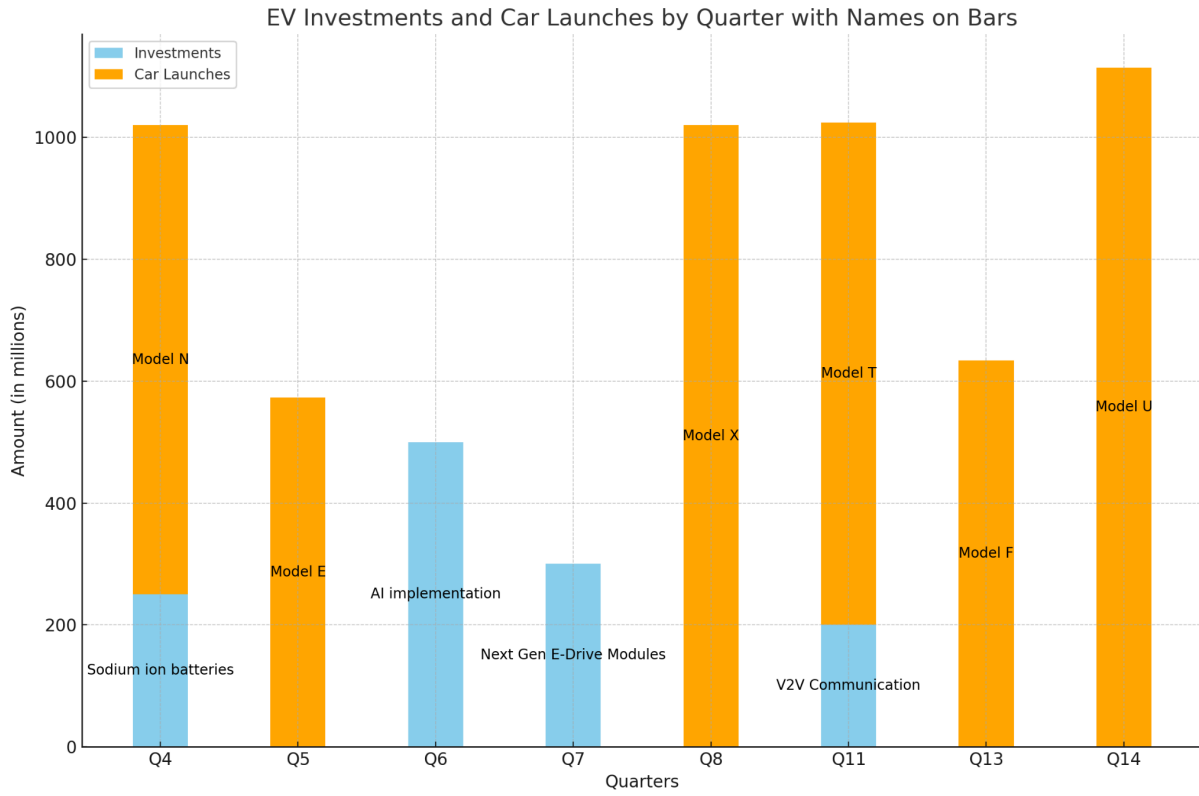


Figure 1: Quarterly EV Investments and Car Launches

### Mudança Motors: Strategic Innovation Growth Across Three Horizons

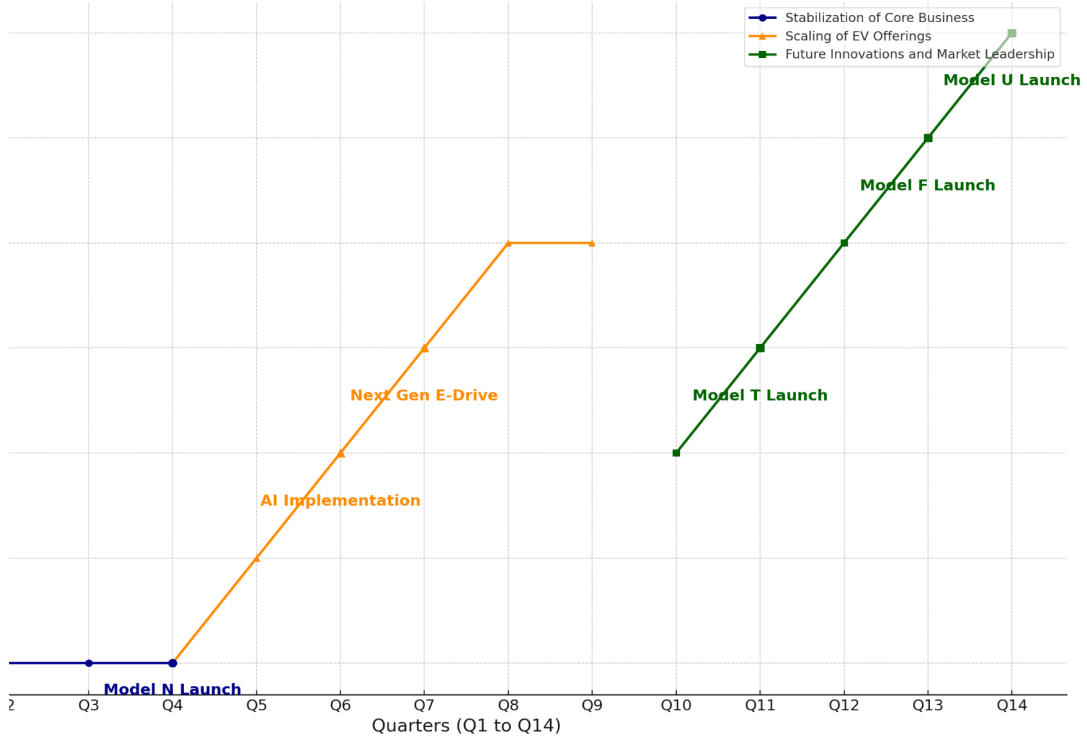


Figure 2: The Three Horizons of Innovation at Mudança Motors

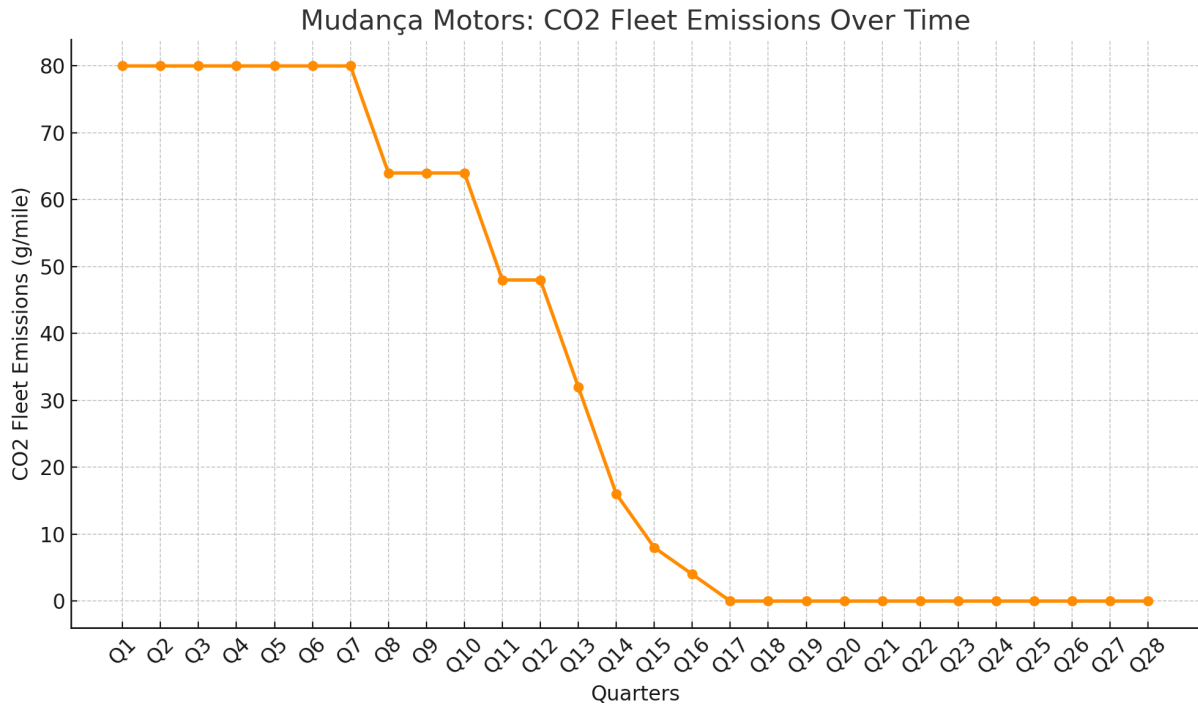


Figure 3: Reduction in CO2 Fleet Emissions at Mudança Motors Over Time

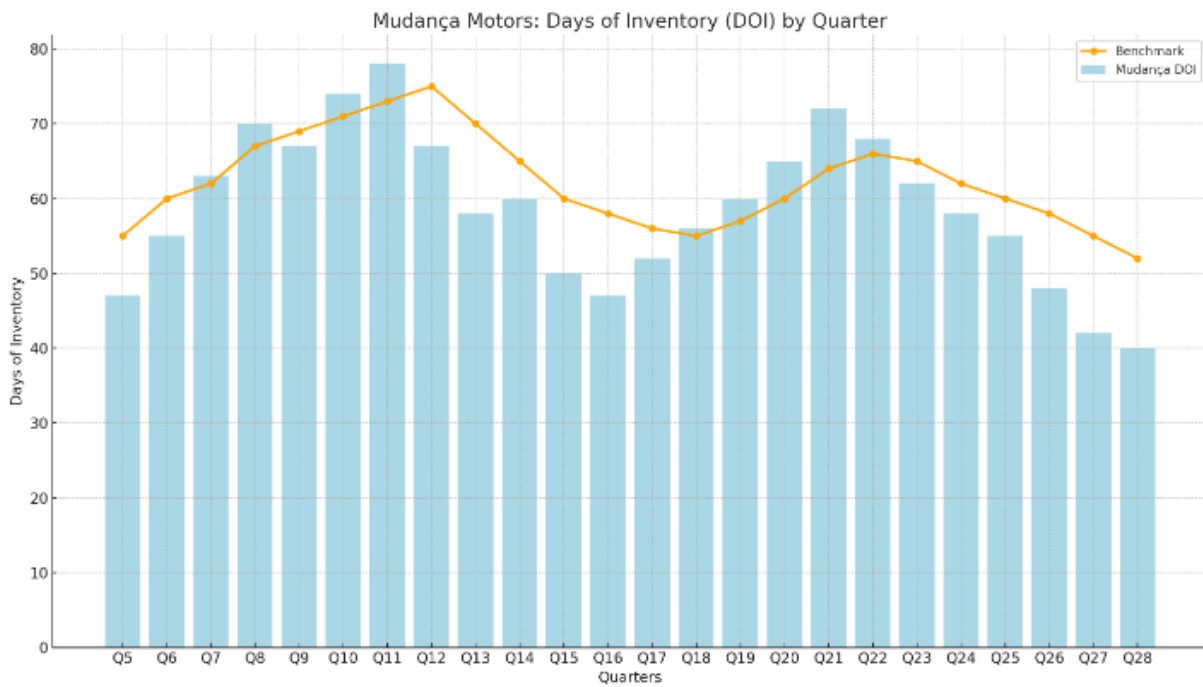


Figure 4: Inventory Management Trends at Mudança Motors

Mudança Motors: Distribution of Environmental Investments (in Millions)

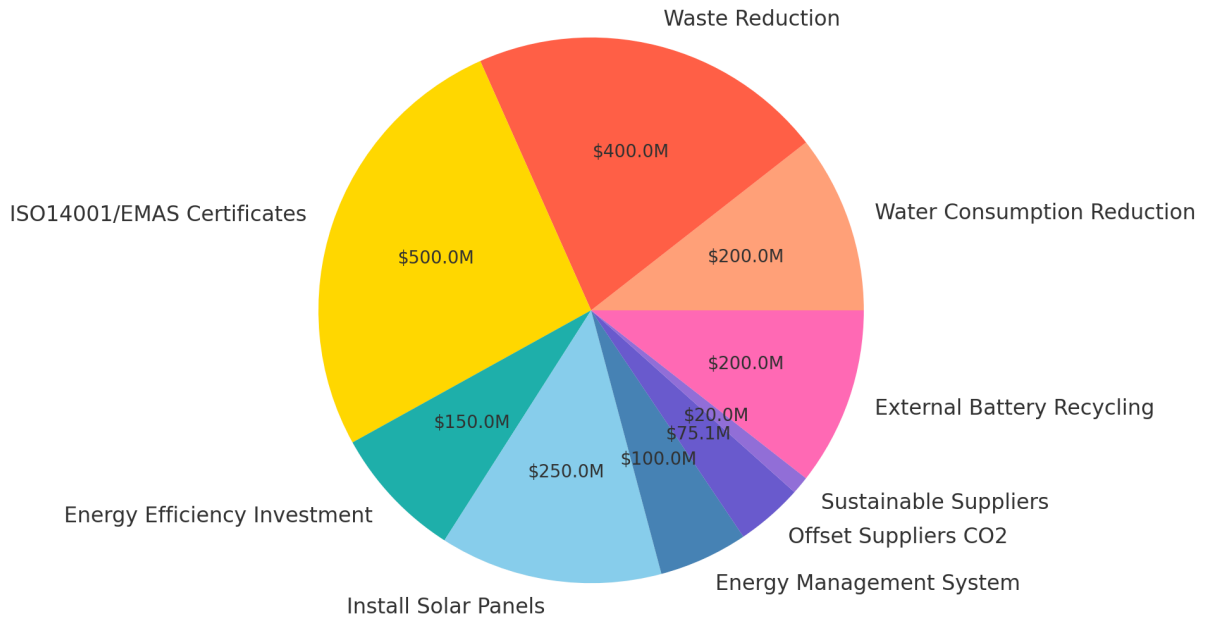


Figure 5: Allocation of Operations Environmental Investments at Mudança Motors

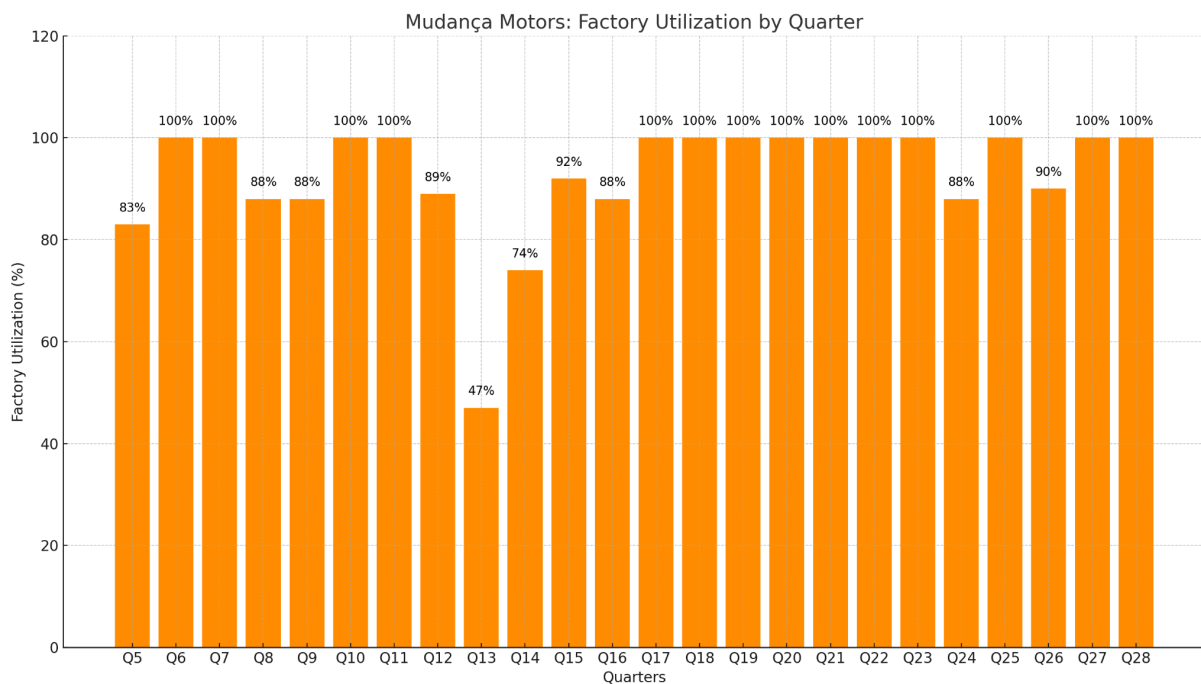


Figure 6: Quarterly Factory Utilization Rates at Mudança Motors

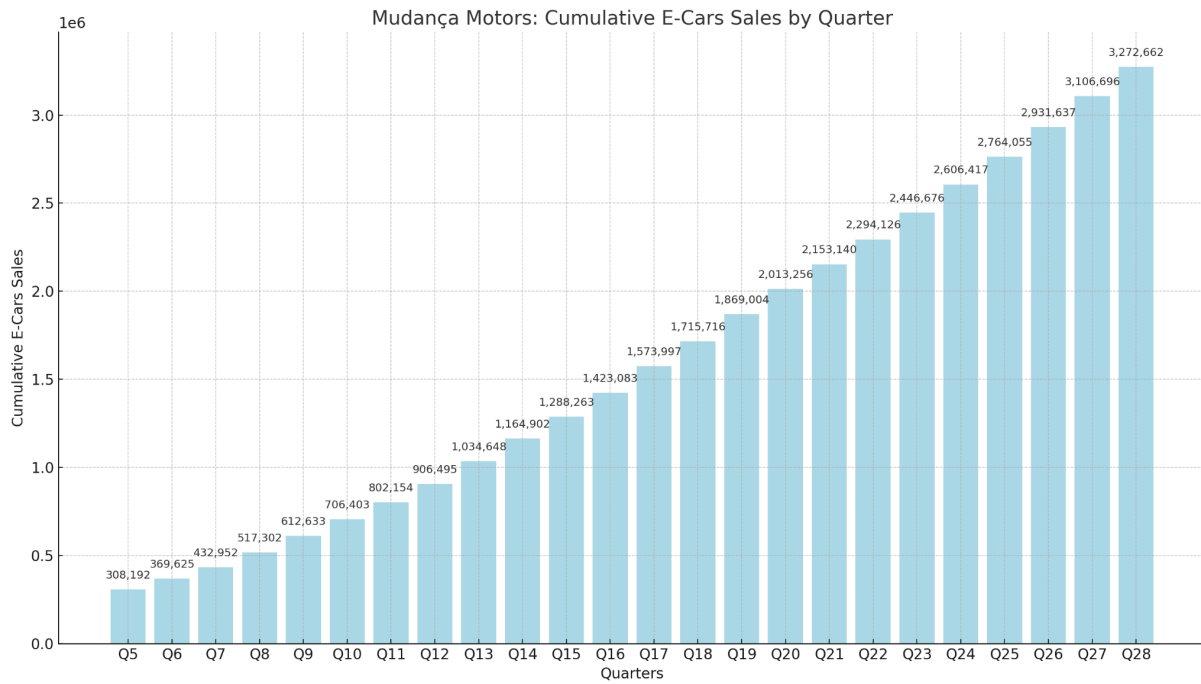


Figure 7: Cumulative Electric Car Sales by Quarter at Mudança Motors

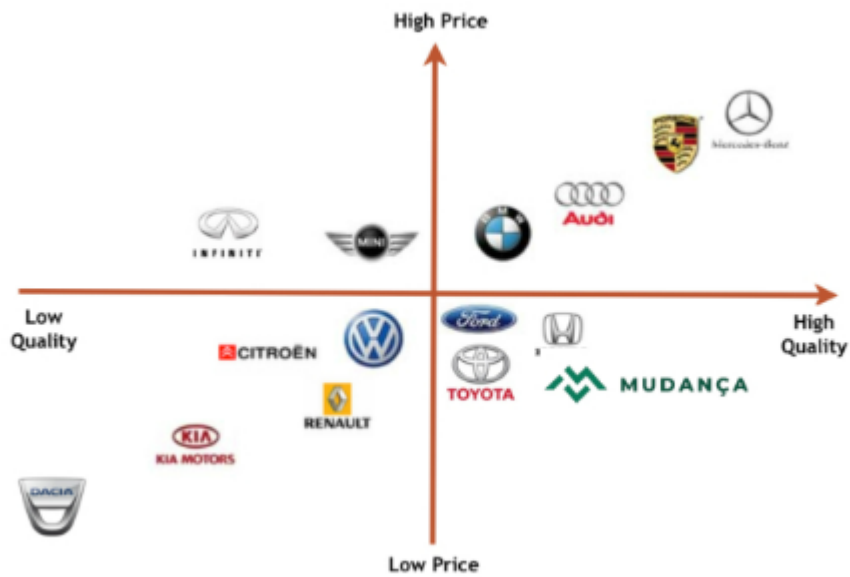


Figure 8: Positioning of Mudança Motors in the Automotive Market Price-Q

Name	Battery	Autonomous Drive	Feature package	Factory location/Primary market
Model N (white sedan)	Extended LI-ion	Level I	Level I	Europe
Model E (blue supermini)	Standard LI-ion	Level II	Level I	China
Model X (green sports car)	Extended Sodium-ion (NA)	Level III	Level I	Europe
Model T (pick-up truck)	Extended Sodium-ion (NA)	Level III	Level I	USA
Model F (mint citycar)	Extended Sodium-ion (NA)	Level III	Level IV	China
Model U (yellow SUV)	Extended Sodium-ion (NA)	Level II	Level II	USA

*Table 1: Overview of Mudança Motors Electric Vehicle Models and Specifications*