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BUSINESS IN PRACTICE: EXPLORING EVOLV3RS' JOURNEY IN THE AUTOMOTIVE INDUSTRY AND PERSONAL REFLECTION ON LEADERSHIP AND TEAMWORK

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Abstract

This work project analyzes the development of Evolv3rs, an automotive manufacturer, within the Business in Practice (BiP) simulation. The company's performance is examined through strategic, operational, and financial perspectives, highlighting the opportunities and risks of pursuing a cost-leadership strategy in such a volatile industry. Emphasis is placed on the role of sustainability, capacity utilization, and financial discipline in shaping resilience and long-term competitiveness. In addition, the project includes a personal reflection on leadership and teamwork during the program, offering insights into self-development and the demands of leading effectively in dynamic environments.

Keywords

Automotive Industry, Strategy, Operations, Finance, Business Simulation, Cost Leadership, Sustainability, Self-Reflection, Team Dynamics, Management

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1. Company analysis

1.1 Introduction

The automotive industry is experiencing one of the most revolutionary periods in its history. There has been a clear shift toward sustainable mobility, fueled by rising environmental concerns and reinforced by some regulatory measures such as the European Union's (EU) Green Deal, which targets climate neutrality by 2050. Simultaneously, improvements in battery technologies and manufacturing efficiency have made electric vehicles (EVs) a valid alternative to internal combustion engine (ICE) cars, both in terms of cost and performance, fundamentally reshaping the competitive foundations of the sector.

This period has also been marked by considerable turbulence in the external environment. Chinese EV manufacturers, supported by state policies and rapid progress in battery design, emerged as aggressive competitors capable of scaling faster and at a lower cost than many established players in the industry, with BYD as the clearest example. Alongside this new competition, stricter emission standards increased pressure, forcing manufacturers to retool production and invest in cleaner technologies, often at higher operating costs. Geopolitical frictions, especially the trade war between the United States (US) and China, have also been impactful by disrupting supply chains and changing cost structures through tariffs and market restrictions.

It is in this context that Evolv3rs, an automotive manufacturer with production facilities in EU, China, and the US, pursued a cost-leadership strategy to deliver affordable EVs to the mass market. The analysis that follows reviews the company's development over the six-year period under observation, linking strategic choices with operational and financial performance. Strategy, operations, and finance are treated as core areas of analysis, as these emerged as key levers shaping the company's trajectory in one of the most volatile and competitive eras in automotive industry.

1.2 Strategy

Evolv3rs entered the six-year simulation with the ambition of becoming a leading cost-efficient EV manufacturer for the mass market. This intention guided a strategy focused on producing high-volume urban segments while maintaining financial discipline and sustainability credibility.

Internal and external context

Initial SWOT and PESTEL analysis a favorable baseline, with an EBIT margin of 23.69% and factories spread across the EU, China and the U.S. However, the company had a low sustainability rating (14%) and a mid-tier Corporate Social Responsibility (CSR) rating (50%), which risked harming competitiveness at a time when ESG performance was becoming central to long-term value creation (see Figure 1). Externally, CO_2 emission regimes and shifting consumer preferences supported investment in the EV segment, while geopolitical tension, such as the trade-war between the US and China posed a threat regarding the tariffs and had to be considered (see Figure 2). Competing under such volatility requires sensing and reconfiguring capabilities, consistent with dynamic capabilities thinking (Teece, Peteraf, Leih, 2016).

Strategic choice and logic

Given the context in which Evolv3rs was in, the company adopted a cost leadership strategy (Porter, 1985) (see Figure 3), aiming to compress unit costs via scale, localized production and high factory utilization, which is especially attractive in a high fixed-cost industry where utilization drives margins (Grant, 2019). The strategic logic matches successful mass-market plays, such as BYD, that scale affordable EVs while protecting contribution margins. In terms of value, Evolv3rs sought to increase the gap between willingness-to-pay and cost by decreasing more the cost through its efficient operations, while aiming to maintain the perceived value by the customers with regionally targeted offers.

Portfolio strategy and market positioning

From the outset, Evolv3rs defined its mission as delivering affordable, mass-market EVs, with regional production and sustainability as a differentiator. This required a clear portfolio focus with Micro and City EVs serving as the core volume engines in Europe and China, regions where compact, low-cost vehicles aligned with consumer preferences. Complementary regional variants such as Pick-Ups and Sport for the U.S and 4x4s for Europe preserved contribution margins by addressing local preferences without disregarding the cost-leadership base. Aiming to achieve a balance that reflects scope choices: concentrating resources on scale-driving models while maintaining selective differentiation to capture niche value (Collis & Rukstad, 2008; Ghemawat, 2001). Complementary vehicles differentiated only in body type rather than engine, as the company set the goal to have a full electric portfolio. This milestone was achieved by Q14, with the decision to discontinue hybrids, despite initial investment in one model. This move emphasized the importance of having strategic coherence, as pursuing an all-electric identity reinforced the brand legitimacy in an industry where authenticity in sustainability increasingly drives demand (Lozano, 2018; Schaltegger & Horisch, 2017). By privileging coherence over short-term diversification, Evolv3rs aimed to avoid performance penalties often associated with unfocused strategies (Rumelt, 2011).

Yet significant challenges emerged. By fiscal year 2028 (FY2028), the clustered launch of four new models within two quarters fragmented demand, left several models in their introductory phase simultaneously, and placed heavy strain on both marketing and financial resources. Production capacity, which had also been increased around the same quarters, and optimized for established models, now led to factory overproduction, higher warehouse and model complexity (with G&A costs doubling within a few quarters), and weaker revenues at a time when investment levels were particularly high. Such overextension illustrates the classic tension between

exploration and exploitation in ambidextrous strategies (O'Reilly & Tushman, 2013; Jansen et al., 2012). This experience confirmed that without careful sequencing and portfolio prioritization, growth may erode rather than reinforce competitive advantage.

Sustainability as strategic differentiation

Sustainability imposed a core part of Evolv3rs strategy, as it is a platform for business model innovation and circularity (Lozano, 2018), driving up demand and enhancing brand image. The company executed a staged ESG plan across Scopes 1 and 2 (implementing waste and water reduction policies and renewable energy) with focus on the later stages across Scope 3 (supplier engagement and recycling initiatives). Although some Scope 3 investments implied a short-term decrease in margins by increasing material costs, they strengthened legitimacy and brand equity and were seen as a necessary step for long-term competitive advantage.

Strategy coordination, KPIs, and review cadence

The execution relied on cross-functional coordination across all functions of the company, among Operations, Finance, Innovation, Human Resources (HR), and Marketing, treating strategy as an organizational practice enacted through recurring planning conversations and joint decisions (Vaara & Whittington, 2012). To keep actions coherent, the company used a compact strategy control system anchored in KPIs, such as: Economic Value Added (EVA), EBIT margin, market share, sustainability score, and days of inventory (DOI). This set of KPIs are meant to act as a company x-ray, since performance measurement systems are most effective when they combine financial and non-financial indicators and are reviewed regularly to support alignment, learning, and timely adaptation (Franco-Santos & Otley, 2018).

To evaluate each section's KPIs and discuss actions, Evolv3rs implemented quarterly reviews focused on tactical corrections (pricing moves, model allocation, inventory actions) and annual strategy checks to reassess the overall strategy and major resource commitments for the following

year (portfolio scope, technological research, increase in capacity). Evidence suggests that this blend of frequent operational feedback and periodic strategic reflection enhances strategic agility (Teece et al., 2016).

Strategic risks, resilience, and adjustments

Overall, three risks dominated: tariff volatility, demand uncertainty, and overexpansion. Localization mitigated tariff exposure, while conservative DOI targets and factory allocation rules tempered demand risk. However, as discussed before, overexpansion materialized in FY2028 as the clustered launches and factory ramp-ups outpaced absorption, reducing EVA from 1770 in Q13 to 1371 in Q17 despite revenue growth. The subsequent recovery, to an EVA of 3190 by Q28, EBIT of 23.91% (compared to 13.08% at the lowest point in Q19) and revenue of $36.0MM in FY2030 (twice the amount of the first year), shows resilience rooted in resource reconfiguration and learning (Hillmann & Guenther, 2021), as Evolv3rs were able to sense the KPI drift, seize corrective levers, and transformed the operating model back toward balanced growth (Teece et al, 2016). Corrective actions included increasing marketing expenditure to lift demand for newly introduced models and stabilizing DOI levels through stricter portfolio allocation rules.

This trajectory highlights the interdependence between strategy and execution, while strategic intent shapes the long-term direction, its success depends ultimately on how effectively the different areas of the company implement it together, and especially how operations can transform portfolio and market choices into optimal capacity utilization, factory efficiency, and product flow. The following section therefore examines the operational dimension of Evolv3rs performance, focusing on how production footprints and factory utilization reinforced, or at times strained the broader strategy.

1.3 Operations

The operational backbone of the company was built around a cost-leadership strategy, which in the automotive industry requires rigid discipline in capacity planning, utilization, and cross-functional coordination. Due to the economics of this sector, slight variations in utilization have disproportionately powerful effects: when factories run below target, fixed costs cannot be absorbed, and margins contract rapidly (Krajewski & Malhotra, 2021). Which, in the context of electric vehicles, these dynamics are even more pronounced because demand is both volatile and policy-sensitive (Crabtree, 2019). Therefore, operations pursued the principle of "produce where you sell" from the beginning, aiming for regional alignment to avoid tariff shocks and extra logistic costs, while setting near 100% utilization as the operational benchmark, which required not changing production lines between regions, ensuring no facilities were left unutilized, and not exceeding the warehouse storage capacity.

Early efficiency and high absorption

In the initial phase, this strategy delivered strong results. From Q4 to Q16, utilization remained consistently high, DOI levels were under control, and margins reflected the benefits of efficient production. EBIT margin rose steadily, stabilizing around 21% in Q15. EVA followed, rising to a value of 1769 in Q16, supported by the strong balance between sales volume and cost efficiency. Cross-functional coordination improves organizational performance by smoothing the flow from demand creation to production (Hausman, Montgomery & Roth, 2002), so Evolv3rs aimed to make all operational decisions together with the marketing and innovation teams, launching campaigns to increase the sales of models with high inventory units, and introducing new models only when factory capacity existed. The human resources (HR) department was also particularly important to adjust staffing dynamically to match the changes in production lines.

The overexpansion trap

The situation changed in FY2028 and FY2029, when expansion and portfolio complexity began to run ahead of the demand. Two new factories came online while four new models were launched within a short amount of time, while some established good performing models were retired. The effects from those actions interacted in several ways, as new models, still in their introductory sales phase, could not match the throughput of mature ones, fragmenting demand across a wider portfolio. At the same time, the increased footprint led to mechanical overcapacity, and utilization fell below the critical levels to sustain margins.

Inventory and DOI as a biding constraint

The reason for these swings can be traced especially to rising DOI. Between Q17 and Q22 the average DOI was constantly rising, starting with 58 and reaching 85 days by Q22, the highest ever, saturating warehouses (see Figure 4). Once storage reached capacity, production lines could not operate at full capacity even when demand was healthy, leading not only to extra costs per car, but also, at times, to unmet demand. This dynamic is an example of how inventory creates a double penalty: it ties up cash, visible through the FCF, while simultaneously throttling utilization and depressing margins (Gurtu, 2021).

The statistical relationship confirms this theory, as, across all models and quarters, capacity utilization and grossed margin moved together with a correlation of around 0.50 (see Figure 5). This coefficient is economically meaningful because it demonstrates that whenever utilization dipped, gross margin decreased as well, which would then translate with EBIT margin following the same pattern, especially when plants fall below 80% utilization barrier (Holweg & Oliver, 2015; Federal Reserve, 2024). This meant that, in practice, every time the DOI was too high that the warehouses couldn’t sustain, profitability eroded mechanically.

Organizational strain and complexity costs

The operational challenge was not only numerical but also organizational. Marketing and innovation resources were spread across too many simultaneous launches, diluting their impact. HR also faced rising reallocation costs as staff were shifted between factories to match fluctuating line activity, which increased staff cost per unit.

Literature on agility emphasizes that while flexibility is valuable, without alignment it can degenerate into inefficiency (El-Khalil & Mezher, 2020). And the company's experience between Q18 and Q22 illustrates exactly this, as multiple initiatives launched at once created diseconomies of complexity, rather than synergies. A pattern that is also consistent with broader evidence that product proliferation often erodes cost advantages unless tightly managed (MacDuffie, 2023).

Corrective measures and operational recovery

From Q22 onward, the company introduced corrective measures. Portfolio allocation was tightened, with only two new product developments after that quarter, showing a clear change of focus from development and expansion towards stabilization and optimization of the current processes. In order to avoid prolonged periods of factory throttling, DOI was monitored more closely and meant to predict long-term fluctuations, such that warehouse levels triggered production reallocation earlier. Marketing resources were redirected toward worst performing launches, helping accelerate their adoption curve without undermining the core performance, mirroring the best practices in Sales & Operations Planning (Hausman et al., 2002) and underlining the importance of integrating commercial and operational levers.

By Q25-Q28, with those measures, the operational system was stabilizing. Revenue rose to its peak, EBIT margin recovered to 26.7% and EVA to 3190 in Q28, their highest value of the entire period, and FCF also turned sustainably positive. DOI also fell back, decreasing steadily from 85 days in Q22 (highest ever) to 42 in Q28 (lowest ever).

The recovery highlights that, especially for capital-intensive industries, growth should be gated by utilization and demand proof, not only by ambition. The principle "utilization first, proliferation second" proved to be essential in restoring economic discipline.

Sustainability in Operations

Beyond cost efficiency, operations also carried a big responsibility for the company's sustainability goals. Investments in factory energy efficiency upgrades, solar panel installations, and water and waste reduction programs were complemented by external initiatives such as supplier engagement (requiring greener inputs) and closed-loop battery recycling systems. Embedding environmental management systems into operations proved important because they delivered regulatory compliance and legitimacy while at the same time strengthening efficiency and reinforcing the discipline of cost leadership (Erauskin-Tolosa et al., 2020; Song et al., 2024). These effects were visible across all emissions categories. After Q14, Scope 1 fell by more than half, as ISO14001 and EMAS certifications tightened factory standards and improved energy use. Scope 2 dropped by nearly two-thirds following the solar panel rollout in Q12 and the adoption of an energy management system in Q17, reducing dependence on external electricity and stabilizing costs. Scope 3, the most complex to influence, declined sharply after Q20 when the external battery recycling program began, lowering exposure to volatile raw material inputs and reinforcing credibility with regulators and stakeholders (see Figure 6). Together, these reductions illustrated how sustainability was integrated into operations as a source of efficiency and resilience, while simultaneously aligning the company with global priorities such as SDG 7 (Affordable & Clean Energy), SDG 12 (Responsible Consumption & Production), and SDG 13 (Climate Action). The operational credibility gained here later underpinned the company's ability to access green financing, showing how environmental progress in production translated directly into financial legitimacy, a theme that is explored in the following section.

1.4 Finance

The Finance department of Evolv3rs was not simply tasked with reporting performance but functioned as an active steering mechanism, translating operational and strategic moves into measurable value creation or destruction. The department set two main tasks: ensuring solvency and liquidity in the short run, often under severe pressure, and allocating scarce capital to maximize long term EVA and shareholder value.

Profitability as a launchpad

The early stages of expansion rested on solid financial ground. As mentioned before, until Q15, EBIT margin climbed to 21.31% and EVA reached 1,789 (see Figure 7), showing that the Return on Invested Capital (ROIC) was high enough to cover financing costs and still deliver a surplus, which translated into positive economic profit. This strong base signaled that the cost-leadership model could scale, as high utilization in the previous quarters kept costs low and profitability created financial headroom for growth. It also improved perceptions in capital markets, lowering perceived risk and containing financing costs, which in turn strengthened the conditions for future investment.

Yet, as highlighted in finance theory, value creation requires efficiency to expand alongside the capital base (Damodaran, 2012). A balance that soon came under pressure.

Liquidity as a constraint on strategy

The first problems in cash generation emerged as the expansion accelerated. General and Administrative costs rose from $266M in Q16 to $578M in Q19, compressing margins to 13.08% and reducing EVA to 1,371 by Q20. The Free Cash Flow (FCF), which had been positive and was at +$487M in Q15, turned negative in Q17 at -$1,246M and stayed below zero until Q22 (see Figure 8).

Liquidity came under pressure as large investments in new plants expanded the asset base, while inventories rose from 58 to 85 days and tied up cash. Under these conditions, scarce capital had to be funneled to the areas with the highest immediate impact on competitiveness (Myers & Majluf, 1984). HR and Marketing budgets were increased to correct earlier mistakes, accelerate adoption of new models, and stabilize factory staffing during volatile quarters, while innovation projects and ESG commitments were postponed until liquidity buffers improved.

The negative FCF translated into difficult prioritization, as by choosing to safeguard HR and Marketing, the firm reinforced its cost-leadership positioning, ensuring staff morale and customer uptake were not compromised even under stress. At the same time, postponing innovation and ESG reduced diversification opportunities and delayed progress in sustainability, underlining how liquidity discipline redirected the company's strategic priorities.

Financial flexibility began to return from Q22 onward, as tighter inventory management, shorter receivable cycles, and renegotiated supplier terms released liquidity. Which, combined with margin recovery, allowed FCF to swing back into positive territory in six of seven quarters between Q22 and Q28, often above $1B, demonstrating how liquidity served both as the main constraint during overexpansion but also as the driver of renewed progress once balance was restored.

Capital structure and strategic pace

The funding decisions reflected the liquidity discipline already in place. When interest coverage declined from 8.89 in FY2027 to 5.85 in FY2028 and the debt ratio peaked at 53%, management avoided taking on new borrowing to protect solvency and limit the risk of distress, consistent with the tax-shield logic (Modigliani & Miller, 1963). Additional leverage at this stage would have likely raised the firm's cost of equity by increasing perceived risk, pushing WACC upward when

profitability was already under pressure. This decision preserved stability but also reduced the company's ability to pursue several initiatives at once.

Regardless of the avoidance of new loans, equity markets were also left untouched, as Evolv3rs chose to rely on retained earnings as its main resource. In contrast, companies like Tesla often issue shares during scale-up, building liquidity buffers that support simultaneous investment in innovation and global entry. Evolv3rs' strategy instead sought to preserve ownership and credibility in solvency, creating a sequential rhythm in which capacity was added only once utilization justified it, and commercial and HR investments followed in stages. Moreover, the reliance on retained earnings also meant that potential dividend distributions were sacrificed in favor of reinvestment, a choice that reinforced internal funding capacity but limited opportunities to signal strength to shareholders through payouts.

Therefore, the capital structure reinforced the cost-leadership model. By limiting exposure to volatility, the company aligned financial policy with its efficiency-driven strategy. However, there was a trade-off, as competitors that continued investing gained first-mover advantages in innovation and ESG, while Evolv3rs advanced more cautiously, consolidating resilience but conceding speed.

Indicators of stress and recovery

The financial cycles became particularly visible in the ratios, which provided early indicators of both stress and recovery. Liquidity weakened as the current ratio fell from 9.6 in FY2027 to 6.9 in FY2028 and the quick ratio from 6.6 to 4.3, signaling that too much cash was locked in inventories (see Figure 9), which meant that the company was under a working-capital trap where stock builds undermine flexibility (García-Teruel & Solano, 2007).

Moreover, as liquidity pressures mounted, profitability also weakened. The Return on Equity (ROE) fell to -2.91% in Q18 as margins narrowed, underlining how quickly shareholder returns

eroded once capacity was underutilized. Lower factory utilization led to fixed costs being spread across fewer units, compressing profitability and translating directly into weaker equity returns. Nonetheless, the rebound to +7.70% by Q28, with EBIT margin back at 27%, reflected both efficiency gains and a more disciplined capital base (see Figure 10).

The same pattern could be seen in efficiency indicators: asset turnover rose only after utilization improved, and the Return on Assets (ROA) increased once the assets started being used more effectively. These shifts showed that profitability depended on both margin recovery and the ability to make capital work harder (see Figure 11). Fundamentally, the overexpansion had locked resources on activities without adequate return, but restored discipline turned those same assets into engines of renewed value creation.

Sustainability as a financial lever

With fundamentals reestablished, financial policy pivoted again toward sustainability. By Q28, the Green Capital Ratio had reached 100%, and cumulative Green Capex represented 60.8% of total investment (see Figure 12). In practice, this meant that all new capital was being directed toward sustainable projects and that nearly two-thirds of the company's overall investment base was already green. This shift reduced debt costs through a 'greenium' effect and enhanced legitimacy with investors (Flammer, 2021), similar to the mechanism observed in Volkswagen's €2 billion green bond in 2020, which lowered funding costs while reinforcing strategic credibility (Volkswagen Group, 2020). The timing of this move was decisive. By waiting until liquidity and profitability had recovered, Evolv3rs gained credibility with investors and restored the A credit rating that had slipped during the expansion, showing that sustainability commitments were backed by solid finances. However, delaying green investments also meant that this financing was not available earlier, when it could have eased the liquidity squeeze and softened the impact of overexpansion.

1.5 Conclusion and Main Learnings

The six-year trajectory of Evolv3rs highlighted both the opportunities and the vulnerabilities of operating in an extremely dynamic industry. The company defined a clear cost-leadership strategy from the beginning and succeeded in achieving major milestones such as: Building a fully electric portfolio, significantly improving its sustainability rating, and ending the period with record profitability and value creation.

However, this journey also exposed the risks of misaligned execution. The overexpansion in FY2028 showed how quickly growth can destroy value when capacity and demand are not balanced, while the liquidity shortages and negative free cash flows during that stage also reinforced that financial resilience is not secondary to strategy, but the condition that makes it viable.

The analysis highlights several key lessons. First, growth must be carefully sequenced: factory utilization and demand absorption provide the foundation on which portfolio expansion can be sustained. Second, sustainability proved to be more than a reputational asset; it also operated as a financial lever, with green financing lowering capital costs and reinforcing competitiveness. Third, the recovery demonstrated that resilience rests on the ability to pause, reconfigure, and then resume growth on stronger terms.

Ultimately, long-term success depended on alignment across business functions, as only coherent execution allowed strategic ambition to translate into durable results. This required not only financial discipline and strategic clarity but also operational adaptability and cohesion, since organizational execution determined whether opportunities became sustainable advantages. Taken together, Evolv3rs' six-year trajectory shows that competitiveness in the EV sector does not rely on rapid expansion alone, but on the capacity to balance ambition with discipline, ensuring that growth, profitability, and sustainability move forward together.

2. Personal Reflection

2.1 Introduction

The BiP program was an opportunity to expose myself to a highly diverse team, made up of people from different countries, with distinct personalities and working styles, similar to what I expect to find in future roles. Navigating this environment forced me to look closely at myself and to reflect on how I am perceived, how I behave in uncertain moments, and how I react when the dynamics of the team shift. Some experiences were difficult and unsettling, but precisely because of that they became the points where I learned the most.

Among these, two episodes proved to be especially meaningful. One revolved around the way I was perceived within the group, confronting the gap between my own self-image and how others saw me. The other emerged from a turning point in our collective strategy, which tested both my persistence and ability to sustain my energy when confidence and prospects of success dropped.

In the following section, I will explore these two incidents, analyzing what they revealed about team dynamics and about myself, and reflecting on the lessons they hold for my future development as a professional and as a leader.

2.2 Incident 1: Perception vs Reality

Description and Response:

One of the most consequential moments of self-reflection during the three weeks of BiP came in the Team Dynamic Clinic, when a teammate, aiming to praise our atmosphere, said about me: "Our group works very well and we have a great atmosphere; for example, he was very hesitant speaking at first, but I feel that we created a safe space for him to express his ideas."

I wouldn't expect that line to affect me, however, I felt that it was suggesting that my participation depended on conditions created by others, not my own intention. That conflicted with the way I

see myself: proactive and comfortable sharing views. I believe that what unsettled me was not just being labelled "quiet," but the idea that I required a safe space created by others to contribute verbally, feeling reduced to someone whose value emerged only because the group made room for it.

Reflecting on this reaction forced me to recognize how important independence is to my self-image. I concluded that I take pride in showing initiative without needing reassurance, so hearing that my contributions were "enabled" by others felt like a challenge to how I define myself.

At the same time, I became curious to understand why my teammate perceived me that way. Looking back, I think the answer can be tracked to our very first meeting. During the roundtable that we did in our teams where we had to explain who we were at our best and at our worst as part of the "Leading Yourself" session, I was tense and spoke in a reserved tone, which likely anchored the impression that I was hesitant and shy. Even though later, once the simulation began and discussions turned action driven, I felt far more confident and often took the lead in conversations and designing strategies. For me, that was just a shift in context: from formal introductions to action driven work. For my teammates, however, it may have seemed like a personality change: from shy to outspoken. That clinic remark showed me how lasting that first impression had been.

Analysis

The episode exposed more than a simple mismatch between my self-image and their perception. It reminded me that in teams, identity is not only what I intend to project but also what others interpret and retell (Haas & Mortensen, 2016). Even if I believe I am acting proactively, the story others create about me can be very different.

The weight of first impressions was obvious here. My nervous introduction acted as an anchor, and later behavior was interpreted through that perspective. This reflects the primacy effect, where early cues disproportionately shape judgments (Kahneman, 2011). West (2012) also argues that

first meetings establish lasting expectations. I had underestimated how much power that initial meeting would have and assumed that later contributions would "speak for themselves."

This early misalignment can also be understood through Lencioni's (2002) "absence of trust" as one of the core dysfunctions of teams (see Figure 13). Without transparency and early role clarification, peers were more likely to doubt contributions, and even thought we created a Team Charter that defined the roles of each member, that wasn't applied in reality and left space for these issues.

The reason why it disturbed me so much goes deeper. I realized that my professional identity is strongly tied to being seen as self-directed and hearing that I needed a "safe space" to contribute threatened that identity, and I became defensive. Instead of viewing the remark as a neutral observation, I experienced it as a threat to my agency. That reaction exposed a blind spot: placing too much weight on how others see my independence could limit my ability to learn from feedback because it makes me treat comments as threats to defend against rather than insights to explore.

However, even though I felt the urge to correct the remark, I stayed silent, choosing harmony over confrontation. At the time, I thought I was protecting group unity and my relationship with that specific member, but in hindsight, I see it differently. I see now that a brief, respectful clarification could have balanced unity with honesty. Scouller (2011) describes leadership presence as exactly this: maintaining cohesion while also standing up for one's own perspective.

The peer assessment, completed days later (see Figure 14), added another perspective. My teammates rated me very highly on "interacting with teammates," higher than I rated myself. This suggested that despite the "quiet at first" label, they ultimately valued my communication more than I realized and more than I did. What illustrated exactly what Toegel & Barsoux (2016) call the self–other discrepancy, where people often underestimate how positively they are perceived.

The coexistence of these two narratives, me as "quiet at first," yet also as a strong communicator,

showed how perception operates on different layers, where surface impressions shape the story others tell, while consistent actions define how performance is ultimately judged.

Finally, I understood why the "safe space" framing appealed to my teammate. As Haas & Mortensen (2016) note, teams create narratives to explain their effectiveness. Therefore, saying that I had "opened up" was less about me personally and more about affirming the group's culture of inclusion. From his perspective, it was proof that the team dynamic worked.

Reflection and Learning

Overall, this incident showed me that leadership involves more than just demonstrating competence, it is also about shaping how competence is read. Perception is part of leadership work, not just an afterthought.

One of the first realizations was about how I enter new groups. I treated the opening roundtable as a formality, but first interactions set durable expectations. Despite my later actions, my tense introduction created an impression that followed me. I was aware of the image I showed in first meeting; however, I had assumed that consistent action would eventually override first impressions, which wasn't the case. In the future, I need to approach those moments deliberately, projecting proactivity and openness even if the setting feels artificial, because they frame everything that comes after.

Beyond first impressions, I also recognized that I need to shift the way I handle feedback. Instead of reacting defensively when comments clash with the way I see myself, I want to approach them with curiosity, asking what makes the person see me that way, to understand where our views diverge and what I might need to adjust to align their perception with my intention, turning moments of discomfort into improvement opportunities.

Equally, I saw the importance of being transparent when some description does not align with how I perceive myself, as Edmondson's (1999) notion of psychological safety highlights. My instinct

at the time was to preserve harmony by staying quiet, but my silence left the group with a partial story, as I didn't correct that description and let them have that incomplete idea about my personality. In the future, I want to correct such labels respectfully, not to defend ego, but to ensure clarity for myself and for others. This balance between honesty and unity is what I now understand as leadership presence, and it is a practice I want to implement more regularly.

Finally, the incident reminded me that resilience is also about loosening dependence on external recognition. If I anchor too much on how others define me, I risk letting their interpretations unsettle me and shape the quality of my future actions. Developing the ability to engage with feedback without letting it shake my identity will be crucial for me to sustain confidence in more complex team settings.

2.3 Incident 2: Motivation in Setbacks

Description and Response

The most difficult moment in BiP came from a strategic turn in the simulation that unsettled our rhythm and atmosphere, not from a personal disagreement. Midway through, when our team was confident, aligned, and the results in the simulation were looking very promising, we met external advisors and interpreted their answers as suggestions to take a bolder direction. Their recommendation carried authority, and we felt a sense of urgency to apply it if we wanted to aim for first place. Therefore, we accepted it very quickly, almost unanimously. At the time, it seemed like a clear sign of our willingness to be open, showing that we weren't set in our ways but could adapt.

I remember looking around the table and sensing that even though some of us recognized the risks in those decisions, no one wanted to be the person to slow us down.

In that moment, I felt a mix of excitement and unease: excitement, because adopting bold moves matched the image I wanted us to project as a team; unease, because deep down I sensed that we

weren't giving enough thought to the suggestions. Yet I stayed quiet, just like the others, and went along with the decision.

What had seemed exciting quickly revealed problems, and soon it was clear we had jeopardized our chances of first place. But what affected me more than the outcome itself was the shift in atmosphere, as the dynamic that had been energetic and optimistic very quickly turned quiet, and meetings that before felt like fun creative exchanges started to feel like an obligation and focused on careful repairs.

I felt that change strongly in myself. Until then, I had been one of the most active contributors, often initiating meetings, double-checking assumptions outside of working hours, and synthesizing different views into a coherent direction to keep the team coordinated. However, after that moment I noticed myself becoming quieter. I still participated, but less forcefully, and instead of pushing for structure, I became much more reactive, responding to problems instead of actively anticipating them and structuring the pathway.

The discomfort came not only from the group mood but also from what I saw in my own reaction. Rationally, I knew that BiP was about experimentation and learning, not about chasing flawless success. However, I was emotionally unable to get over my disappointment and the drop in my motivation was much sharper than I expected. I often found myself wishing I could go back and change the decision. That mental revisiting deepened my frustration, keeping me stuck on what was irreversible instead of re-engaging with the task.

Analysis

Looking back, the decision to follow the external advice made sense in that moment. If we hadn't done it and still failed to reach first place, I would probably be asking myself why we ignored the suggestions. But the way the decision was taken revealed important dynamics that I was unaware of.

Even though there was hesitation in the looks we gave each other in that moment, it was brief and quickly overridden by the authority of the advisors and by our eagerness to act decisively. Because our group had bonded quickly and valued harmony, and as early team patterns are often self-reinforcing (West, 2012), dissent was never our instinct. It can also be associated with "fear of conflict", as teams that value cohesion sometimes suppress debates that sharpen decisions (Lencioni, 2002). Those patterns, while beneficial for cohesion, left us unprepared to challenge the advice.

Another dimension is added by Haas and Mortensen (2016), that argues that teams make sense of themselves through narratives that reinforce identity. For us, taking a risk and adopting a different approach to aim for first place became part of our story, evidence that we were ambitious and adaptive. And in retrospect, that narrative appeal may have been just as persuasive as the substance of the recommendation itself, at least I sense it as the main reason why I agreed with it so quickly without giving extra thought.

Alongside the narrative, our team composition also mattered. The group naturally gravitated toward analysis and respect for authority, with four of us scoring Blue on the Insights framework presented by Mr. Miguel Pinto Fernandes in the "Leading Yourself" session (see Figure 15). These qualities often encourage thorough decision-making, but in this case, they reinforced the reluctance to question the advisors. While the Yellows and the Red brought energy, here that energy translated into enthusiasm for boldness rather than critical challenge. These profiles help explain why our decision-making felt smooth on the surface but lacked productive friction that robust strategy requires.

When the consequences became visible, the effects were more emotional than analytical. Midpoint transitions often act as pivots, where teams reassess their progress and reset expectations (Knight, 2015). For us, the pivot was downward. Our optimism faded and the atmosphere shifted. However,

what I had not anticipated was how strongly I would mirror that change. Instead of countering the group's mood, I absorbed it, becoming more reactive and less vocal.

This was where the incident became personal. I had always seen myself as someone resilient, yet in practice, my persistence proved very conditional. In retrospect, I realize that I had tied my purpose too tightly to expectations of success, and comparing it with other situations in my life, I've always done that without noticing. This pattern affects how I respond to setbacks more broadly: when outcomes disappoint, I tend to internalize them as personal shortcomings rather than temporary obstacles, which makes it harder to reframe challenges constructively. In this case, when my sense of purpose faltered by the impossibility of achieving my goal, so did my intrinsic drive. Suddenly, the past two weeks of constructive engagement were overshadowed by a single disappointing turn.

Reflection and Learnings

Reflecting on this episode through Gibbs' Reflective Cycle (Galli and New, 2022) helped me make sense of it in a structured way. By framing the downturn as a learning opportunity I could move from frustration toward clearer steps for improvement.

This incident showed me that leadership is truly revealed when the momentum collapses. It was in this downturn, not in the confident early weeks, that my limitations became more apparent. The realization that my motivation was so dependent on external signals was unsettling but also necessary, because it forced me to see persistence as something I must deliberately practice rather than something I could just assume.

Kotter (1996) argues that in moments of disruption leaders must create short-term wins to rebuild momentum, which in our case meant stabilizing operations and agreeing on achievable goals. Likewise, West (2012) emphasizes that resilient leadership is not only about maintaining personal persistence but also about enabling collective problem-solving and motivation. By framing the

setback in these terms, I could see that leadership required not just absorbing pressure myself, but helping the team re-engage with clarity and confidence.

Regarding the decision itself, it reshaped my understanding of group dynamics. We did not lack intelligence or goodwill, but we lacked the productive friction that makes decisions robust. Our speed to agree felt like decisiveness, when in fact it revealed our reluctance to question authority and disrupt harmony. Next time, I want to actively create conditions for a deeper discussion, for example, by proposing a brief "premortem" or asking each member to voice one risk before committing to a decision with so much importance

The experience also changed the way I thought about motivation. Inherent motivation is maintained by purpose (Deci and Ryan, 2000) and since I had tied my purpose too tightly to the prospect of winning, rather than to the process of contributing, once outcomes shifted, my energy declined. Going forward, I need to anchor my motivation in controllable factors to avoid this abrupt change and make my engagement less context-dependent and more resilient.

Until BiP, I saw resilience as simply staying committed, however, now I realize that it is about re-engaging with the same intensity after setbacks, even when the outcome is uncertain. For me, that means resisting the instinct of showing disappointment or mirroring collective doubt and instead offering visible acts to reset momentum, such as designing a new strategy focused on what we can control and defining new goals.

This made me revisit the leadership competencies we discussed in class. I realize that even though I was showing technical and analytical skills, I lacked the "leading yourself" competency, which would allow me to manage my energy and presence under stress. It reminded me that leadership development is not only about sharpening strategy and managing people, but also about strengthening emotional resilience. A single well-placed challenge, such as asking "what could make this fail?", might have slowed our rush to agreement and leave space for a different decision.

Ultimately, this incident taught me that persistence is not a fixed trait that I own, but a discipline to be cultivated, especially in adverse conditions. In future roles that I may have, projects will not always unfold as I had planned, and my effectiveness will be judged more on whether I sustain clarity and energy when confidence fades rather than on how I contribute during good times.

2.4 Conclusion: Integrating Lessons for Future Leadership

Looking back, what began as unsettling moments became the most valuable parts of BiP. The comment in the clinic challenged the way I thought I was perceived, while the strategic setback exposed limits in how I sustain motivation when confidence fades. Both became strong anchors for realizing that I still have much to learn and that I need to check in with myself regularly to ensure I am taking the right actions and expressing myself the way I want to be perceived. The fact that these turning points felt so uncomfortable to me is what made them meaningful, because they forced me to confront blind spots I would probably not have noticed otherwise.

I take with me a sharper sense of what leadership really demands. It is not only the ability to develop strategies or analyze problems, but also the capacity to shape how others see me, to hold my presence when the momentum shifts, and to re-engage with conviction after disappointment. All of these are practices that require effort, they are not embedded traits that I can rely on passively. Perception, motivation, and presence are shaped in the small moments, such as how I introduce myself, how I respond to feedback or how I carry myself when circumstances turn difficult. Leadership grows from those choices just as much as from formal responsibilities.

In the future I want to carry these lessons into professional roles, especially in the international environments I want to pursue, where adaptability and resilience are critical. I will keep reminding myself that setbacks and uncertainty are inevitable and that growth depends on how I respond to them. Challenges and uncomfortable moments will continue to happen, but each of them is an opportunity to grow into the leader I want to become.

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Appendices

Appendix A: Abbreviations

Appendix B: Strategy Figures

Appendix C: Operations Figures

Appendix D: Finance Figures

Appendix E: Additional Tables

Appendix F: Personal Reflection Figures

Appendix A: Abbreviations

CSR	Corporate Social Responsibility
D/E	Debt-to-Equity Ratio
EVA	Economic Value Added
EV	Electric Vehicle
FCF	Free Cash Flow
FY	Fiscal Year
HR	Human Resources
ICE	Internal Combustion Engine
Q	Quarter
ROA	Return on Assets
ROE	Return on Equity
ROIC	Return on Invested Capital
US	United States
WACC	Weighted Average Cost of Capital

Appendix B: Strategy Figures

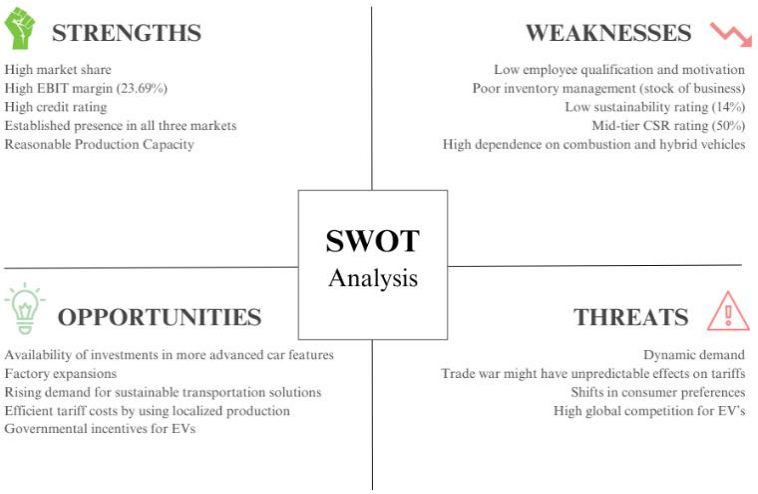

Figure 1: SWOT analysis (own illustration)

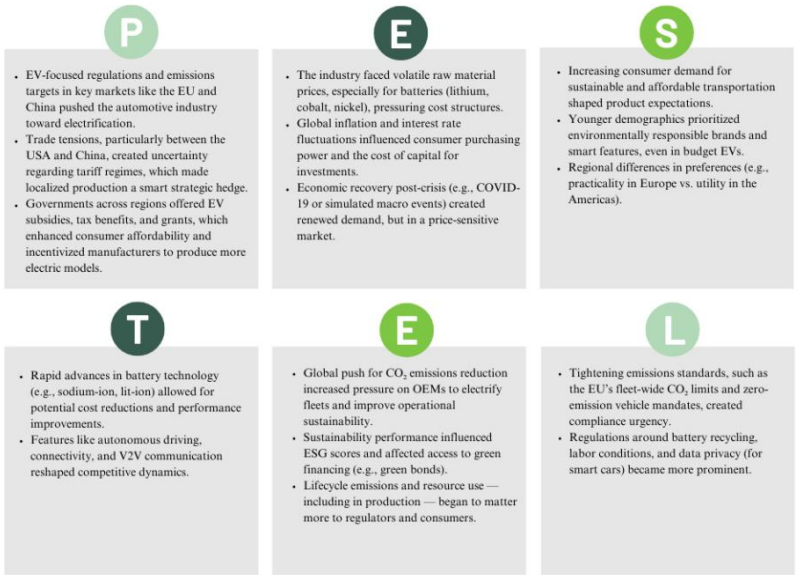

Figure 2: PESTEL analysis (Johnson, Scholes, and Whittington, 2008) (own illustration)

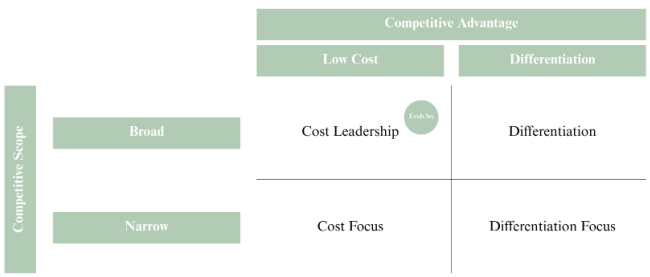

Figure 3: Evolv3rs' strategic positioning according to Porter's Generic Strategies (Porter, 1985) (own illustration)

Appendix C: Operations Figures

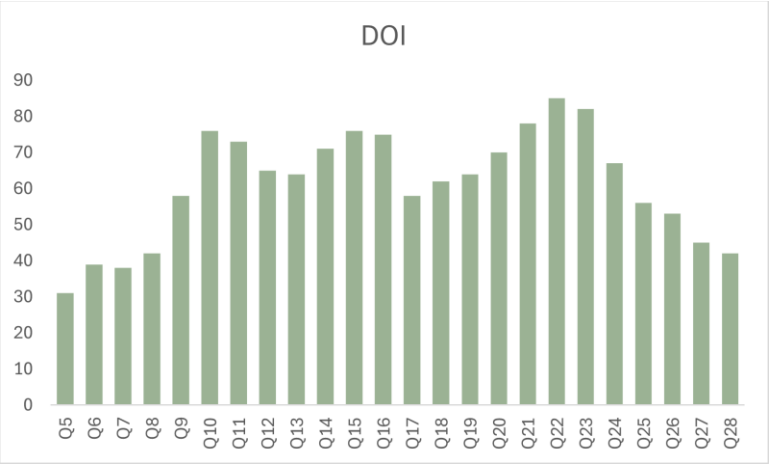

Figure 4: Evolv3rs' Average DOI per quarter (own illustration)

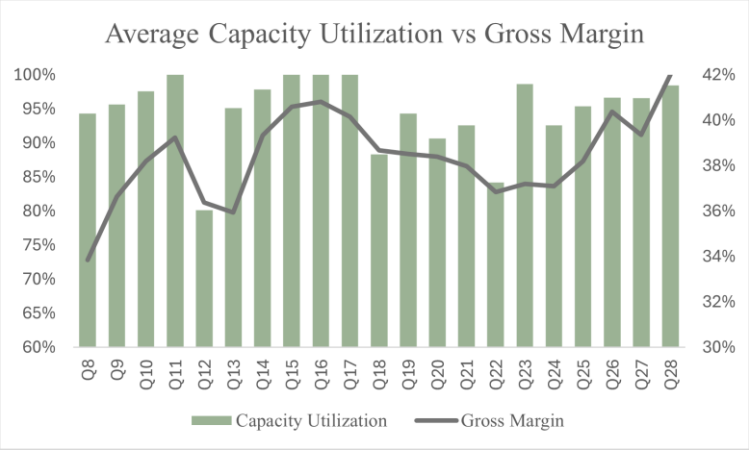

Figure 5: Evolv3rs' Average Model Capacity Utilization and Gross Margin per quarter (own illustration)

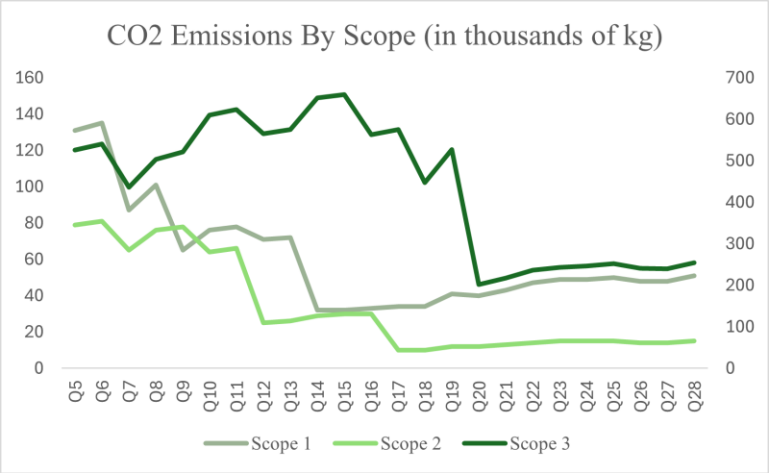

Figure 6: Evolv3rs' CO_2 Emissions By Scope per quarter (in thousands of kg) (own illustration)

Appendix D: Finance Figures

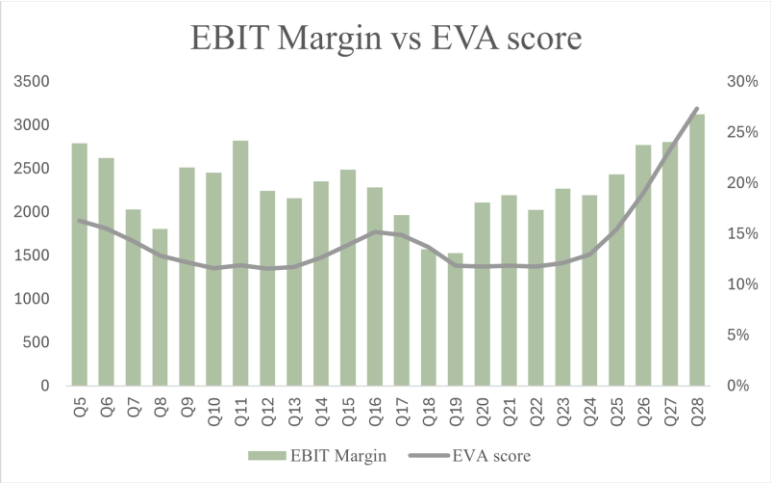

Figure 7: Evolv3rs' EBIT Margin and EVA Score per quarter (own illustration)

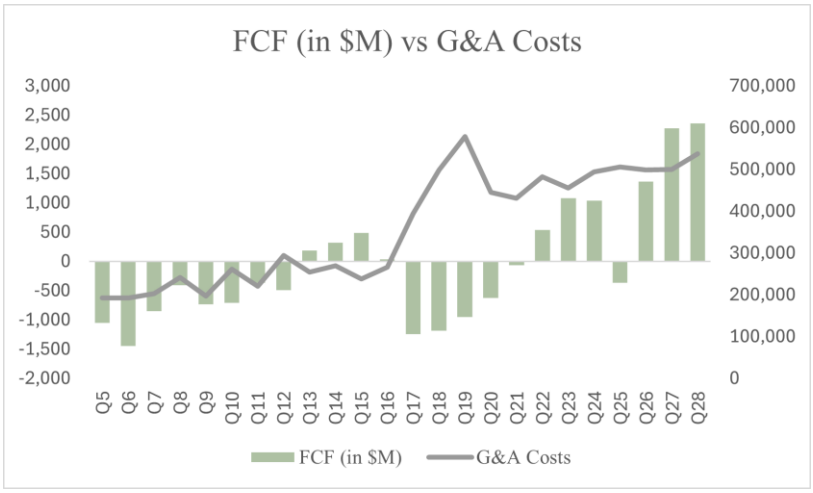

Figure 8: Evolv3rs' FCF (in &M) and G&A Costs per quarter (own illustration)

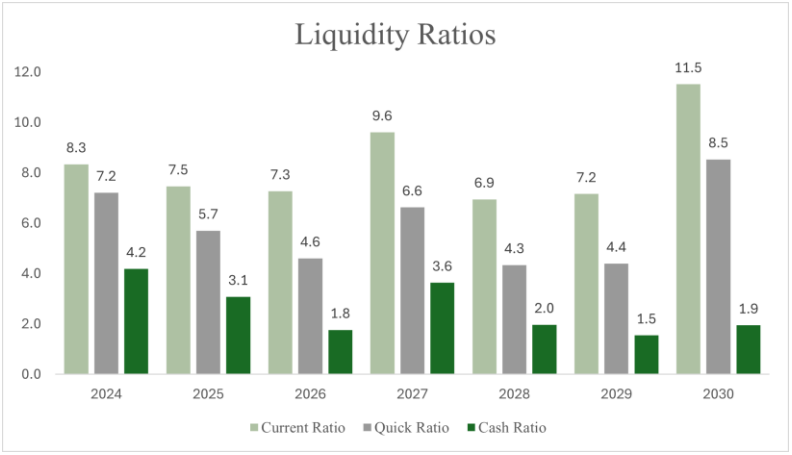

Figure 9: Evolv3rs' Liquidity Ratios per year (own illustration)

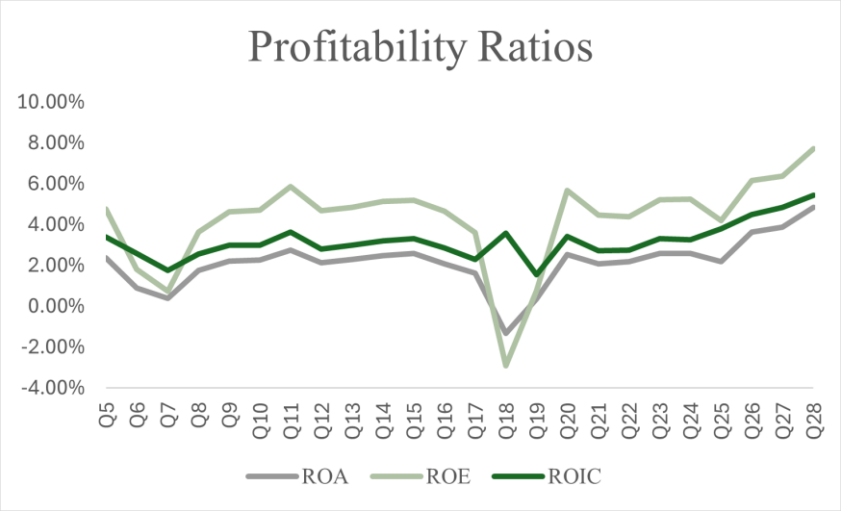

Figure 10: Evolv3rs' Profitability Ratios per quarter (own illustration)

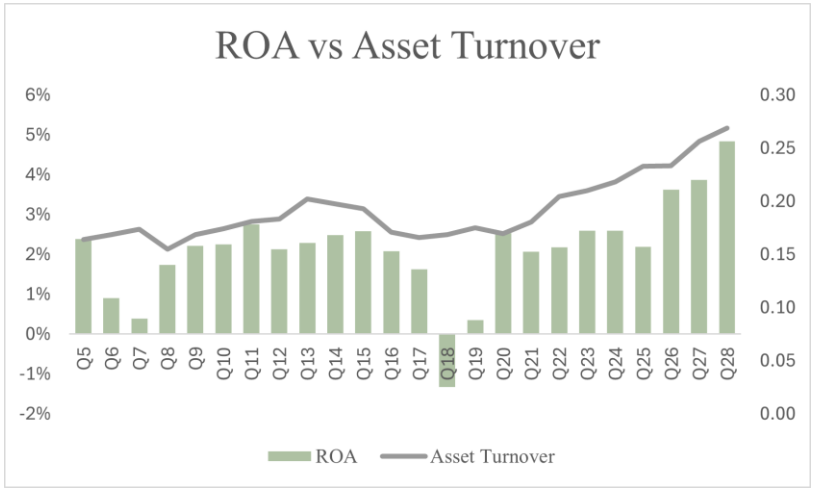

Figure 11: Evolv3rs' Efficiency Ratios per quarter (own illustration)

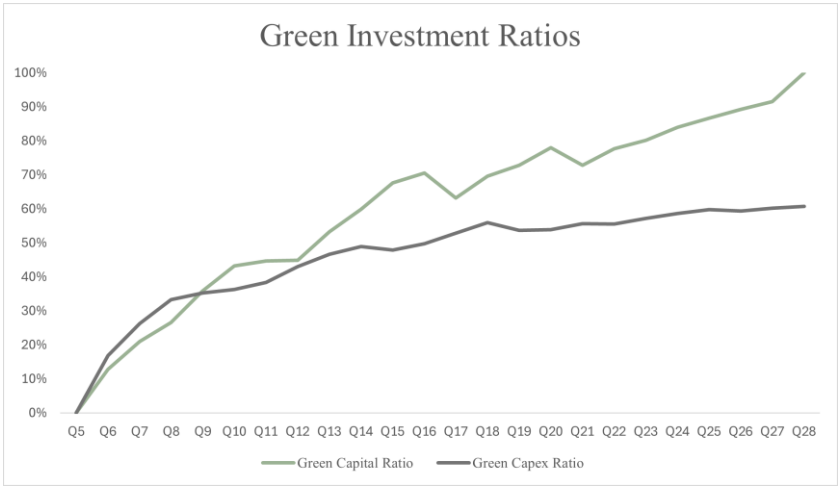

Figure 12: Evolv3rs' Green Investment Ratios per quarter (own illustration)

Appendix E: Additional Tables

	Micro E.		City Hybrid		City E.		Business E.		4x4 E.		Sport E.		4x4 E 2.0		City E 2.0		PU E.		Business E 2.0		Micro E 2.0		City E 2.1		Sport E 2.0		4x4 E 3.0		Business E 2.1		City E -1	
	Capacity Util	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar	Capacity Uti	Gross Mar
Q8	100.00%	36.88%	100.00%	25.93%	83.00%	32.22%	83.00%	34.08%	100.00%	35.19%	100.00%	38.84%																				
Q9	100.00%	39.97%	74.00%	24.47%	100.00%	36.75%	100.00%	37.54%	100.00%	41.14%	100.00%	39.96%																				
Q10	100.00%	41.14%	100.00%	28.00%	100.00%	38.25%	100.00%	40.56%	100.00%	41.90%	100.00%	41.35%	83.00%	36.20%																		
Q11	100.00%	39.67%	100.00%	30.08%	100.00%	39.25%	100.00%	40.72%	100.00%	42.33%	100.00%	41.98%	100.00%	40.67%																		
Q12	100.00%	37.34%	83.00%	28.40%	100.00%	39.22%	45.00%	34.05%	100.00%	40.34%	33.00%	33.74%	100.00%	41.62%																		
Q13	100.00%	34.64%	100.00%	31.63%	100.00%	39.35%	100.00%	37.43%	100.00%	40.71%	100.00%	34.94%	78.00%	36.87%	83.00%	31.95%																
Q14	100.00%	36.15%			100.00%	39.74%	100.00%	39.35%	100.00%	41.45%	100.00%	40.40%	100.00%	38.60%	100.00%	40.27%	83.00%	38.67%														
Q15	100.00%	37.64%			100.00%	39.04%	100.00%	39.15%	100.00%	41.90%	100.00%	41.86%	100.00%	40.16%	100.00%	41.80%	100.00%	43.26%														
Q16	100.00%	38.34%			100.00%	39.19%	100.00%	39.34%	100.00%	41.93%	100.00%	42.07%	100.00%	39.51%	100.00%	42.03%	100.00%	44.15%														
Q17	100.00%	38.35%			100.00%	39.44%	100.00%	38.85%	100.00%	39.70%	100.00%	41.51%	100.00%	38.91%	100.00%	40.74%	100.00%	43.74%														
Q18	100.00%	38.39%			100.00%	39.30%	100.00%	36.95%	100.00%	39.13%	100.00%	40.95%	100.00%	38.96%	12.00%	34.73%	100.00%	43.11%	83.00%	36.56%												
Q19	100.00%	38.35%						35.59%	100.00%	38.30%			100.00%	38.95%	100.00%	35.38%	100.00%	42.51%	100.00%	41.37%	83.00%	38.85%	83.00%	40.44%	83.00%	35.44%						
Q20	33.00%	32.36%					83.00%	30.35%					100.00%	38.31%	100.00%	38.53%	100.00%	41.61%	100.00%	41.17%	100.00%	41.90%	100.00%	43.39%	100.00%	37.99%						
Q21	100.00%	34.57%					100.00%	32.92%					100.00%	37.36%	100.00%	38.38%	100.00%	40.91%	33.00%	33.14%	100.00%	42.09%	100.00%	43.73%	100.00%	38.62%						
Q22	100.00%	35.69%					61.00%	29.70%					100.00%	36.80%	100.00%	38.14%	100.00%	41.09%	100.00%	34.20%	98.00%	41.39%	0.00%	36.85%	100.00%	38.63%	83.00%	35.86%				
Q23	100.00%	36.78%					100.00%	29.89%					100.00%	37.45%	100.00%	38.78%	100.00%	41.52%	100.00%	37.19%		40.00%	90.00%	32.02%	100.00%	39.53%	98.00%	38.73%				
Q24	100.00%	37.18%					92.00%	30.76%					100.00%	37.04%	100.00%	38.67%	79.00%	38.17%	100.00%	38.94%	83.00%	37.51%	100.00%	37.08%	100.00%	39.48%	72.00%	36.12%				
Q25	100.00%	37.64%					100.00%	36.19%					100.00%	37.54%	74.00%	34.54%	100.00%	39.80%	100.00%	40.20%	100.00%	40.51%	100.00%	41.49%	100.00%	39.97%	80.00%	34.02%				
Q26	100.00%	39.20%											100.00%	39.93%	100.00%	39.30%	100.00%	42.11%	100.00%	41.40%	100.00%	43.72%	100.00%	45.41%		40.08%	87.00%	34.42%	83.00%	38.16%		
Q27	100.00%	39.55%											100.00%	41.92%	100.00%	40.71%	100.00%	41.55%	100.00%	41.87%	100.00%	44.09%	100.00%	45.60%	83.00%	36.49%		34.72%	100.00%	39.58%	83.00%	26.84%
Q28	100.00%	39.74%											100.00%	44.91%	100.00%	41.03%	100.00%	46.57%	100.00%	42.03%	100.00%	44.89%	100.00%	45.64%	100.00%	42.59%	83.00%	36.22%	100.00%	43.02%	100.00%	35.67%

Capacity utilization, calculated as the number of vehicles produced divided by the actual production capacity for the respective model in that quarter

Table 1: Evolv3rs' vehicle models per quarter, with capacity utilization and gross margin (own illustration)

Profit & Loss - Annually

P&L	2024	2025	2026	2027	2028	2029	2030
Revenue	**18,235,129**	**16,216,426**	**20,697,375**	**24,653,227**	**24,133,224**	**30,245,784**	**36,002,096**
- Cost of Goods Sold	11,231,045	10,255,869	12,783,420	14,962,641	14,470,589	19,143,664	21,701,339
Gross Profit	**7,004,084**	**5,960,556**	**7,913,956**	**9,690,586**	**9,662,636**	**11,102,119**	**14,300,758**
- Marketing Expenses	207,021	264,285	427,710	638,342	1,015,985	1,214,659	1,227,447
- G&A Expenses	610,508	828,486	972,352	1,027,395	1,916,976	1,862,508	2,041,497
+ Bonus	190,414	237,238	382,333	0	0	0	0
+ Subscription Income	0	0	0	0	442,970	1,245,649	1,489,104
- Depreciation	1,806,439	1,889,974	2,447,936	3,120,059	3,456,084	3,641,157	3,912,374
EBIT	**4,570,529**	**3,215,047**	**4,448,289**	**4,904,790**	**3,716,560**	**5,629,444**	**8,608,545**
+ Other Items	-498,997	-816,700	0	0	-1,398,330	0	-605,529
+ Financial Income	0	0	0	0	0	0	0
- Interest Expenses	516,194	483,165	533,616	551,522	635,401	609,720	501,621
Profit Before Tax	**3,555,337**	**1,915,184**	**3,914,674**	**4,353,269**	**1,682,829**	**5,019,724**	**7,501,396**
- Taxes	1,122,489	574,556	1,174,402	1,305,980	504,848	1,505,918	2,250,418
Net Income	**2,432,850**	**1,340,629**	**2,740,271**	**3,047,288**	**1,177,980**	**3,513,806**	**5,250,977**
Net Income (w/o book losses)	*2,931,847*	*2,157,329*	*2,740,271*	*3,047,288*	*2,576,310*	*3,513,806*	*5,856,506*
NOPLAT	**3,062,999**	**2,089,087**	**3,113,803**	**3,433,354**	**3,286,604**	**3,940,610**	**6,025,983**

Table 2: Evolv3rs' Profit & Loss statement per year (own illustration)

Balance Sheet - Annually

Assets	2024	2025	2026	2027	2028	2029	2030
Long-Term Assets	**14,718,161**	**17,624,048**	**21,145,375**	**22,230,020**	**21,998,804**	**21,404,182**	**19,642,761**
Property, Plant & Equipment	10,018,160	13,024,048	16,645,375	17,830,019	17,698,804	17,204,181	15,542,761
Land & Buildings	4,700,000	4,600,000	4,500,000	4,400,000	4,300,000	4,200,000	4,100,000
Current Assets	**8,363,730**	**8,128,634**	**9,607,422**	**12,814,175**	**12,145,595**	**12,352,778**	**9,886,151**
Cash and Cash Equivalents	4,200,240	3,355,514	2,331,739	4,851,794	3,448,490	2,670,982	1,672,617
Accounts Receivable	3,035,286	2,856,912	3,752,323	3,987,608	4,137,994	4,917,792	5,653,597
Inventory	1,128,203	1,916,209	3,523,360	3,974,773	4,559,110	4,764,005	2,559,937
Equipment on Subscription	0	0	0	0	2,431,228	3,638,807	4,931,222
Receivables from Financial Investr	0	0	0	0	0	0	0
Receivables from Financial Service	0	0	0	0	0	0	0
Total Assets	**23,081,890**	**25,752,683**	**30,752,797**	**35,044,194**	**36,575,628**	**37,395,767**	**34,460,134**
						2%	-8%
Equity/Liabilities	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Shareholder Equity	**11,531,398**	**12,335,775**	**13,979,938**	**15,683,182**	**16,389,970**	**18,498,254**	**21,648,840**
Share Capital	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000	10,000,000
Capital Reserve	0	0	0	0	0	0	0
Retained Earnings	1,531,398	2,335,775	3,979,938	5,683,182	6,389,970	8,498,254	11,648,840
Liabilities	**11,550,492**	**13,416,908**	**16,772,859**	**19,361,012**	**20,185,657**	**18,897,513**	**12,811,294**
Long-Term Debt	10,547,902	12,328,328	15,451,862	18,027,589	18,438,054	17,172,754	11,953,110
Short-Term Debt	0	0	0	0	0	0	0
Accounts Payable	1,002,590	1,088,580	1,320,997	1,333,424	1,747,604	1,724,759	858,184
Other Liabilities		0	0	0	0	0	0
Total Liabilities and Equity	**23,081,890**	**25,752,683**	**30,752,797**	**35,044,194**	**36,575,628**	**37,395,767**	**34,460,134**
NWC	3,160,899	3,684,541	5,954,686	6,628,957	6,949,500	7,957,038	7,355,350
Change in NWC		523,642	2,270,145	674,271	320,543	1,007,538	-601,688

Table 3: Evolv3rs' Balance Sheet per year (own illustration)

Cash Flow Statement - Annualy

	2024	2025	2026	2027	2028	2029	2030
+ Net Income	**2,432,850**	**1,340,629**	**2,740,271**	**2,838,741**	**1,177,980**	**3,513,806**	**5,250,977**
+ Depreciation	1,806,439	1,889,974	2,447,936	3,120,059	3,456,084	3,641,157	3,912,374
- Change in Inventory	-195,299	891,279	1,607,151	461,670	706,006	204,896	-2,168,822
- Change in Accounts Receivable	-85,580	-178,373	895,411	235,285	150,386	779,798	735,805
- Change in Uncollectible Accounts	182,082	162,625	199,306	243,489	238,982	267,523	318,271
+ Change in Accounts Payable	-70,880	85,989	232,417	12,427	414,180	-22,844	-866,574
- Profit/Loss from Disposal of Assets	-498,817	-816,640	0	-297,804	-1,398,270	0	-492,931
- Change in Equipment on Subscription	0	0	0	0	2,431,228	1,207,578	1,292,415
- Change in Receivables from Financial Services	**0**	**0**	**0**	**0**	**0**	**0**	**0**
Operating Cash Flow	**4,766,023**	**3,257,701**	**2,718,755**	**5,328,587**	**2,919,914**	**4,672,325**	**8,612,039**
Investing Cash Flow	**-997,483**	**-5,346,602**	**-5,769,955**	**-4,248,764**	**-4,262,490**	**-2,779,012**	**-2,290,369**
+ Change in Debt	984,980	1,780,425	3,123,535	2,575,727	410,465	-1,265,299	-5,219,644
- Change in Bank Deposits	0	0	0	0	0	0	0
- Dividends Paid	1,135,214	536,251	1,096,108	1,135,496	471,192	1,405,523	2,100,391
+ Proceeds from New Shares	0	0	0	0	0	0	0
Financing Cash Flow	**-150,234**	**1,244,174**	**2,027,426**	**1,440,231**	**-60,728**	**-2,670,822**	**-7,320,035**
Change in Cash and Cash Equivalents	**3,618,304**	**-844,726**	**-1,023,774**	**2,520,055**	**-1,403,303**	**-777,508**	**-998,365**
Free Cash Flow	**3,768,540**	**-2,088,901**	**-3,051,200**	**1,079,823**	**-1,342,576**	**1,893,313**	**6,321,670**
Revenue	18,235,129	16,216,426	20,697,375	24,653,227	24,133,224	30,245,784	36,002,096
CaPex/Revenue	5.47%	32.97%	27.88%	17.23%	17.66%	9.19%	6.36%

Table 4: Evolv3rs' Cash Flow statement per year (own illustration)

Cash/Debt/Equity - Annually

Cash	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Cash and Cash Equivalents	**2,360**	**3,356**	**2,332**	**4,852**	**3,602**	**2,671**	**1,673**
- Short-Term Debt	0	0	0	0	0	0	0
- Operational Cash Needed	582	2,808	3,335	3,721	4,701	4,778	4,762
- Investment Committed	1,000	6,636	6,510	8,593	3,908	2,038	330
Investment Budget	778	3,081	1,227	620	5,892	4,143	5,565
Investment Proposed	800	0	0	0	0	0	0
Budget Surplus	-22	3,081	1,227	620	5,892	4,143	5,565

Debt	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Short-Term Debt	0	0	0	0	0	0	0
Interest Rate ST	6.90%	6.75%	6.90%	6.90%	7.65%	6.68%	5.93%
Long-Term Debt	10,548	12,328	15,452	18,028	18,438	17,173	11,953
Interest Rate LT	4.85%	4.85%	5.10%	5.08%	5.35%	4.98%	4.70%
Total Debt	10,548	12,328	15,452	18,028	18,438	17,173	11,953
Debt Ratio	46.91%	47.65%	50.58%	50.44%	52.59%	48.90%	40.73%
Credit Rating	A-	A	A-	A-	BBB	A	A+
Additional Loans Available	10,938	9,876	9,712	10,202	11,064	16,124	27,015

Equity	**2024**	**2025**	**2026**	**2027**	**2028**	**2029**	**2030**
Shareholder Equity	11,937	12,336	13,980	15,683	16,390	18,498	21,649
Cost of Equity	8.36%	8.13%	8.36%	8.42%	8.66%	8.36%	7.56%
Number of Shares	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000	70,000,000
Share Price	405	355	344	433	370	456	697
Market Cap	28,380	24,834	24,092	30,296	25,923	31,943	48,792
WACC	6.12%	6.08%	5.83%	5.71%	5.57%	5.61%	5.37%

Table 5: Evolv3rs' Cash/Debt/Equity overview per year (own illustration)

Appendix F: Personal Reflection Figures

Figure 13: The Five Dysfunctions of a team (Lencioni, 2002) (own illustration)

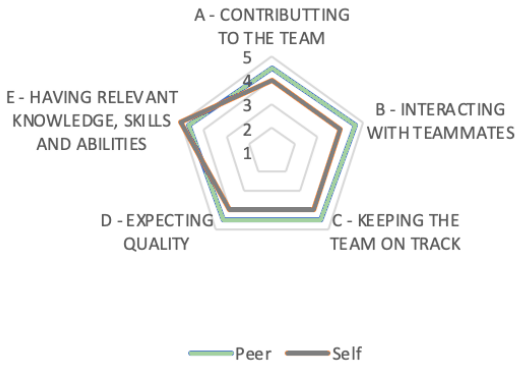

Figure 14: Peer and Self-Assessment of Miguel Branco's performance (own illustration)

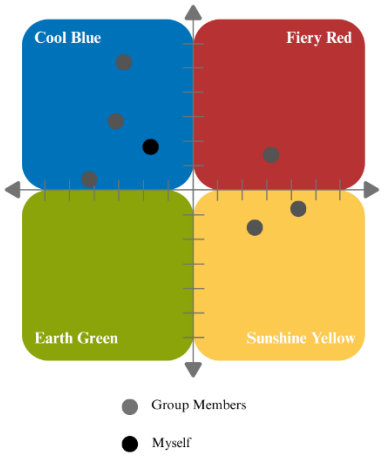

Figure 15: Personality Type Matrix of Miguel Branco and group members according to Insights Discovery test (own illustration, based on session material)