Classroom Discussion Cases - Instructor Notes

Short cases are often used in the classroom to discuss common business policy theories and models (e.g., PESTEL, Porter's Five Forces, core competencies, business-level strategies, corporate-level strategies, etc.). Integrating cases with sustainability themes for classroom discussion keeps the sustainability conversation alive throughout the semester. It helps students recognize how sustainability issues are pervasive in organizations and managerial decision-making.

Classroom Case Sources

These publications are excellent resources for short cases that can be read and discussed in a single class session. All of these publications include cases and stories with sustainability elements. Selecting cases and stories with sustainability components – even if the focus of your class session is not explicitly a sustainability model (e.g., Economics of Mutuality or the UN Sustainable Development Goals) – helps further integrate sustainability into the fabric of the course.

- Sage Business Cases: Express Cases
  The Campbell Library subscribes to this subset of the Sage Business cases database. Express cases are less than 1,000 words and ready for classroom use without pre-reading. Most express cases include teaching notes.

- Entrepreneurship Education and Pedagogy
  This pedagogical journal includes short teaching cases with each issue through 2022. The cases are timely and designed for classroom use without pre-reading. The Campbell Library does not subscribe to this journal, but case copies can be obtained through Interlibrary Loan and utilized according to educational fair use guidelines. All cases include teaching notes.

- The Case Journal
  The Case Journal includes traditional length and "compact" cases 500-100 words in length. Focus on compact cases for classroom use without pre-reading. Compact cases can be identified by length (usually less than three pages). The Campbell Library does not subscribe to this journal, but case copies can be obtained through Interlibrary Loan and utilized according to educational fair use guidelines. Be sure to request the teaching notes associated with each case.

- The New York Times and Wall Street Journal
  Your daily reading in the *Wall Street Journal*, *New York Times*, or any other place you get your business news can provide timely classroom case content as written. The Campbell Library subscribes to these two newspapers and other periodicals. Be sure to

use the story according to educational fair use guidelines. You'll have to create your own teaching notes when using a story from a newspaper or news website.

A Classroom Case Example

Short classroom cases sourced through Sage or one of the case journals will come with teaching notes that include discussion design. News stories being adapted into classroom discussion cases will require teaching note development by the instructor. Instructors may also wish to develop their own teaching strategy independent of the provided teaching notes.

An example of a news story adapted for use as a teaching case follows. This case was used to examine the connections between functional- and business-level strategy and includes environmental sustainability elements. The story link and teaching notes are provided.

Resources

- Hard copies of the article: GM unveils 11 future EVs, new batteries and its plan to beat Tesla, by Jamie L. LaReau, *Detroit Free Press* (March 5, 2020).[1] (1 copy per student)
- Hard copies of March 2022 article updates (page 6 below; 1 copy per student)
- Hard copies of the case discussion questions (page 7 below; 1 copy per student)

Learning Objectives

1. Analyze the General Motors electric vehicle strategy story for elements of functional-and business-level strategy.
2. Identify differences between market segments.
3. Evaluate how GM's functional-level strategy supports its business-level strategy.

Instructions

This activity requires an entire class meeting (75 minutes).

1. Conduct a brief review of functional-, business-, and corporate-level strategies. This can be done via mini-lecture or a collaborative activity such as asking small groups to characterize each strategy level based on their prior reading and study. Include a discussion of how the levels should support each other in a well-designed strategic plan.

2. Review how each of the three business-level strategy categories (cost leadership, differentiation, focus) can be used to address the competitive pressures addressed in Porter's Five Forces.

3. Highlight or review links between company core competencies, value chain support and primary activities, and business-level strategy.

[1] LaReau article link: https://www.freep.com/story/money/cars/general-motors/2020/03/04/gm-unveils-10-future-evs-new-batteries-and-its-plan-beat-tesla/4905906002/

4. Introduce the GM EV strategy article. Explain that this article illustrates many of the concepts discussed in this class meeting and to-date in the course. It is particularly helpful in illustrating how these concepts feed into a contemporary company's evolving business strategy. The sequence of the case discussion activity will be:

    - Review the discussion questions.
    - Read the first half of the case together aloud.
    - Read the second half of the case in small discussion groups.
    - Discuss the discussion questions.

5. Students should mark the paper and make notes on the discussion questions while reading the case.

6. Distribute the case article, updates, and discussion question documents.

7. Read the discussion questions.

8. Divide the class into small groups of 4-5 students each for discussion. Assign a specific discussion question to each group (some questions may be assigned to multiple groups).

9. Read aloud through the "tell a better tale" section of the article with the class. The article is too long to read aloud fully. Reading the first half of the article together partially incorporates Universal Design for Learning principles into the activity. Remind students to make notes related to the discussion questions as the case is read.

10. Ask groups to finish reading the article and making notes, then to discuss their assigned question(s). They should also identify a spokesperson and be prepared to share their answers.

11. Bring the class back together to hear how each group answered their questions. Integrate responses from groups addressing the same question. Help students make connections between related concepts and acknowledge students who make those connections on their own.

12. Bonus discussion question as time allows: Consider how GM addresses (or not) social, human, and natural capital according to the Economics of Mutuality model.

Discussion Question Sample Responses

1. Describe the customer needs (differentiation or price) and customer groups (market segments) defined in GM's EV strategy.

Students may observe that the article identifies market segments by vehicle type, each addressing a different customer need. For example, the Chevrolet Bolt product line (hatchback MSRP $31,500; EUV MSRP $33,500) includes GM's lowest-cost EVs designed for price-sensitive consumers.

The remainder of the vehicles seem to compete on differentiation: The Hummer EV pick-up (MSRP $112,595), Hummer EV SUV (MSRP $79,995), Cadillac Lyric EV SUV (MSRP 58,795). These vehicles are designed for customers willing to pay a price premium for the specific EV attributes they desire.

In summary, GM is attempting to employ different business-level strategies (cost leadership or differentiation) catering based on market segments.

2. Characterize GM's functional-level strategy by identifying the competencies (resources + capabilities) held or developed by GM as described in this article and where they reside in the value chain.

   The key to GM's EV strategy is its proprietary Ultium battery technology. The batteries are modular, allowing for versatile placement in vehicle design and adding additional modules to increase vehicle horsepower. They also charge faster and have a larger capacity than competing technologies.

   The in-house design of these batteries required customer responsiveness and innovation competencies in technology development (where R&D resides in Porter's value chain). Addressing customer desires for lower costs and better battery range were particularly important. Battery manufacturing expertise (we can infer efficiency and quality) will come from GM's battery manufacturing partner, LG Chem.

   Manufacturing the vehicles will also require innovation as EV manufacturing differs from manufacturing cars with internal combustion engines; quality will also be key. The article specifically calls-out efficiency, noting it takes fewer people-hours to make an EV versus a comparable traditional vehicle. The number of engine-powertrain combinations will also be cut from the current 555 in GM's internal combustion-powered vehicles to 19 across the GM EV product line.

   One explicit example of the "quality" competency (quality is a firm infrastructure support activity in Porter's value chain) is the high-voltage safety team that devises ways to ensure passengers are not shocked or injured should an EV crash or be flooded.

3. Discuss the business-level strategy(ies) GM is pursuing in its EV rollout, addressing the advantages and risks associated with each strategy based on Porter's Five Forces. Provide examples.

   As noted in the sample responses to discussion question 1, GM seems to be employing both low-cost and differentiation strategies. In relation to the low-cost strategy (currently

the Bolt product line) should help protect GM from new entrants in this category. The efficiencies in Ultium battery production, powertrain combination efficiencies, and employee productivity will make it difficult for other manufacturers to compete on price with GM.

Regarding differentiation, GM hopes to leverage existing brand loyalty and gain new customer loyalty through the aggressive transformation of its product portfolio. If the share gain envisioned by GM comes to pass, brand loyalty should help protect them from new entrants. Further, GM is unlikely to face customer price pressure in the segments in which it is pursuing differentiation given their EVs meet customer expectations.

GM unveils 11 future EVs, new batteries and its plan to beat Tesla

by Jamie L. LaReau | *Detroit Free Press* | March 5, 2020 [2]

March 2022 Price & Technology Updates

- Chevrolet Bolt EV base MSRP: $31,500.
  Source: https://www.chevrolet.com/electric/bolt-ev;
- Chevrolet Bolt EUV base MSRP: $33,500.
  Source: https://www.chevrolet.com/electric/bolt-euv
- Cadillac Lyriq EV SUV crossover base MSRP: $58,795.
  Source: https://www.kbb.com/cadillac/lyriq/
- GMC Hummer EV Pickup Truck base MSRP: $112,595.
  Source: https://www.kbb.com/gmc/hummer-ev/
- GMC Hummer EV SUV base MSRP: $79,995.
  Source: https://www.kbb.com/gmc/hummer-ev-suv/
- Super Cruise is a hands-free driver-assistance technology available on Cadillac Lyriq, CT6, XT612, and Escalade SUV; GMC Hummer EV SUV; and Chevrolet Bolt EUV.
  Source: https://media.gm.com/media/us/en/gm/news.detail.html/content/Pages/news/us/en/2021/jul/0723-gm-supercruise.html

[2] Source: https://www.freep.com/story/money/cars/general-motors/2020/03/04/gm-unveils-10-future-evs-new-batteries-and-its-plan-beat-tesla/4905906002/

GM unveils 11 future EVs, new batteries and its plan to beat Tesla

by Jamie L. LaReau | *Detroit Free Press* | March 5, 2020 [3]

Discussion Questions

Read, highlight, and make comments in the case, according to the question assigned to your table. Identify a spokesperson to present your findings to the class.

1. Describe the customer needs (differentiation or price) and customer groups (market segments) defined in GM's EV strategy.

2. Characterize GM's functional-level strategy by identifying the competencies (resources + capabilities) held or developed by GM as described in this article, and where they reside in the value chain.

3. Discuss the business-level strategy(ies) GM is pursuing in its EV rollout, addressing the advantages and risks associated with each strategy based on Porter's Five Forces. Provide examples.

[3] Source: https://www.freep.com/story/money/cars/general-motors/2020/03/04/gm-unveils-10-future-evs-new-batteries-and-its-plan-beat-tesla/4905906002/