

7.6 Case study Lesage Automobile

Discussion (page 99, Exercise 6)

Students D and E

You have an open mind about the advantages and disadvantages of a no-frills product. Treat each proposal on its merits, and try to be as objective as possible about the pros and cons.

3.6 Case study WEF Audio

Simulation (page 47, Exercise 6)

Group D

You are in favour of preserving the status quo. The company is fundamentally healthy and profitable: sales are increasing, and costs will fall now that the new product development stage is finished. In your view, making any major changes would be dangerous and unfair to the people who have worked for WEF all their lives. The company has always had good relations with the unions, and these should not be jeopardized. Although Franz Theiner is now almost 80, he is still President of the company: as the founder his belief in quality should be respected. The company should make no changes to the successful strategies he has developed over the last 50 years, and the personal problems of the next generation should not have an impact on business decisions.

8.6 Case study The cartel

Negotiation (page 111, Exercise 5)

Team A

ThreeD-Vision Inc.

You are meeting representatives of Holoplay PLC to negotiate the terms of an agreement which will protect your mutual interests. Depending on the outcome of your negotiations, the result may be anything from a vague gentlemen's agreement to a fully-fledged cartel. Your holo-player costs you \$500 per unit to produce. At the moment your market share is 70% in the US and 30% in Europe.

Your projected annual production capacity is as follows: (million units)

Y1	Y2	Y3	Y4	Y5
8	25	60	100	150

Your corporate objectives are to:

- 1 maintain market share and margin in the US
- 2 improve market share in Europe
- 3 build market share as quickly as possible in Asia and other markets.

Your competitive advantage: although Holoplay's product has slightly better quality levels than your holo-player, you can produce larger volumes more cheaply; you expect to reduce your costs per unit to \$400 when you reach annual production of 60 million units.

8.4 Management skills Leading the team

Roleplay (page 107, Exercise 6)

Leadership checklist

During the meeting, did the team leader:

- share information and feelings freely?
- show interest in others' ideas and feelings?
- prioritize tasks and manage time efficiently?
- delegate or assign tasks sensitively?
- allow initiative?
- communicate goals and priorities?
- identify problems and obstacles, and develop strategies to deal with them?
- foster enthusiasm for the project?
- deal with disagreement or conflict assertively?
- employ appropriate management style(s)?
- use active listening techniques?
- display body language consistent with their message?
- use sound bites and rhetorical techniques to highlight key points?
- adopt a logical and systematic approach to decision-making?
- obtain a consensus for decisions taken?
- ensure that all team roles were represented?