

ABSTRACTS ONLY

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**OUTSTANDING TEACHING CASES
GROUNDED IN RESEARCH**

GINA GRANDY, EDITOR

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RESEARCH ASSOCIATION**

Editor

**Gina Grandy
University of Regina**

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CASE CONTENT

The *Case Research Journal* (CRJ) publishes outstanding teaching cases drawn from research in real organizations, dealing with important issues in all administration-related disciplines. The CRJ specializes in decision-focused cases based on original primary research – normally interviews with key decision makers in the organization but substantial quotes from legal proceedings and/or congressional testimony are also acceptable. Secondary research (e.g., journalist accounts, high quality website content, etc.) can be used to supplement primary data as needed and appropriate. Exceptional cases that are analytical or descriptive rather than decision-focused will only be considered when a decision focus is not practical and when there is a clear and important gap in the case literature that the case would fill. Cases based entirely on secondary sources will be considered only in unusual circumstances. The Journal also publishes occasional articles concerning case research, case writing or case teaching. Multi-media cases or case supplements will be accepted for review. Contact the journal editor for instructions.

Previously published cases or articles (except those appearing in Proceedings or workshop presentations) are not eligible for consideration. The Journal does not accept fictional works or composite cases synthesized from author experience.

CASE FORMAT

Cases and articles submitted for review should be single-spaced, with 11.5 point Garamond font and 1" margins. Published cases are typically 8-10 pages long (before exhibits), though more concise cases are encouraged and longer cases may be acceptable for complex situations. All cases should be written in the past tense except for quotations that refer to events contemporaneous with the decision focus.

Figures and tables should be embedded in the text and numbered separately. Exhibits should be grouped at the end of the case. Figures, tables, and exhibits should have a number and title as well as a source. Necessary citations of secondary sources (e.g., quotes, data) should be included as endnotes at the end of the case (not at the end of the IM) in APA format. In the IM, necessary citations (e.g., citations of theoretical work from which the analysis draws) should be included using parenthetical author/year embedded in the text (similar to a traditional academic paper) that feeds into a list of references at the end of the IM. Note that the CRJ approaches citations differently in the case and the IM given the differing audiences for which each document is developed (i.e., the case is written for the student while the IM is written for the instructor). In some rare instances, footnotes may be used in the case for short explanations when including these explanations in the body of the text would significantly disrupt the flow of the case, but generally the use of footnotes in the case should be avoided if possible.

The following notice should appear at the bottom of the first page of the manuscript: Review copy for use of the *Case Research Journal*. Not for reproduction or distribution. Dated (date of submission). Acknowledgements can be included in a first page footnote after the case is accepted for publication, and should mention any prior conference presentation of the case.

It is the author(s)'s responsibility to ensure that they have permission to publish material contained in the case. To verify acceptance of this responsibility, include the following paragraph on a separate page at the beginning of the submission:

In submitting this case to the Case Research Journal for widespread distribution in print and electronic media, I (we) certify that it is original work, based on real events in a real organization. It has not been published and is not under review elsewhere. Copyright holders have given written permission for the use of any material not permitted by the "Fair Use Doctrine." The host organization(s) or individual informant(s) have provided written authorization allowing publication of all information contained in the case that was gathered directly from the organization and/or individual.

INSTRUCTOR'S MANUAL

Cases must be accompanied by a comprehensive *Instructor's Manual* that includes the following elements:

1. **Case Synopsis:** A brief (three-quarters of a page maximum) synopsis of the case.
2. **Intended Courses:** Identification of the intended course(s) that the case was written for, including the case's position within the course. Please also indicate whether the case was developed for an undergraduate or graduate student audience.
3. **Learning Objectives:** The specific learning objectives that the case was designed to achieve. For more details on learning objectives, see the article titled "Writing Effective Learning Objectives" at the [useful articles link](#).
4. **Research Methods:** A Research Methods section that discloses the research basis for gathering the case information, including any relationship between case authors and the organization, or how access to case data was obtained. Include a description of any disguises imposed and their extent. Authors should disclose the relationship between this case and any other cases or articles published about this organization by these authors without revealing the author's identity during the review process. If the case has been test taught and this has influenced the development of the case, this should be noted. This section should also indicate who in the organization has reviewed the case for content and presentation and has authorized the authors to publish it (note that this last component is not necessary for cases based on congressional or legal testimonies).
5. **Theoretical Linkages:** In this section please provide a brief overview of the theoretical concepts and frameworks that will ground the analysis/discussion of the case situation in theory and research. Please include associated readings or theoretical material that instructors might assign to students or draw on to relate the case to their field or to the course. In developing this section, recognize that business courses are often taught by adjunct faculty who are business professionals who may not be steeped in the theory of the discipline the way an active researcher might be. Develop this section with the intent of helping that type of instructor effectively apply and teach these theories/frameworks.
6. **Suggested Teaching Approaches:** Suggested teaching approaches or a teaching plan, including the expected flow of discussion with an accompanying board plan. Include a description of any role plays, debates, use of audiovisuals or in-class handouts, youtube videos, etc. that might be used to enhance the teaching of the case. Authors are strongly encouraged to classroom test a case before submission so that experience in teaching the case can be discussed in the *IM*. Authors are discouraged from including websites as integral resources for the teaching plan because websites are not static and the content of the website link may change between the writing of the case and an instructor's subsequent use of the case.
7. **Discussion Questions:** A set of assignment/discussion questions (typically three to ten depending on discipline) that can be provided to students to organize and guide their preparation of the case. For most cases, either the final or the penultimate question will ask students for their recommendation on the overarching decision facing the decision maker in the case along with their rationale for that recommendation.
8. **Analysis & Responses to Discussion Questions:** This section of the IM represents the core of the case analysis. Repeat each assignment/discussion question, and then present a full analysis of that question that demonstrates application of relevant theory to the case. Note that the analysis in this section should go beyond what a good student might present as an 'answer' to the question. Write to the instructor with an eye toward helping him or her understand in detail how the theory applies to the case scenario, how discussion of this particular question might be approached with students, where the limitations in the theory might be relative to the case scenario, and how the analysis contributes to the building of an integrated recommendation regarding the decision the case protagonist must make.
9. **Epilogue:** If appropriate, an epilogue or follow-up information about the decision actually made and the outcomes that were realized as a result of the decision made.
10. **References:** Provide full citations (in APA format) for all references that were cited in the Instructor's Manual.

REVIEW PROCESS

All manuscripts (both the case and the instructor's manual) are double-blind refereed by Editorial Board members and ad hoc reviewers in the appropriate discipline. Most submissions require at least one round of revision before acceptance and it is common for accepted cases to go through two or more rounds of revisions. The target time frame from submission to author feedback for each version is 60 days.

DISTRIBUTION OF PUBLISHED CASES

The right to reproduce a case in a commercially available textbook, or instructor-created course pack, is reserved to NACRA and the authors, who share copyright for these purposes. After publication, CRJ cases are distributed through NACRA's distribution partners according to non-exclusive contracts. NACRA charges royalty fees for these publication rights and case adoptions in order to fund its operations including publication of the *Case Research Journal*. Royalties paid are split 50/50 between NACRA and member authors.

MANUSCRIPT SUBMISSION

Submit the case manuscript and Instructor's Manual in one document via the *Case Research Journal*/ScholarOne website at <http://mc.manuscriptcentral.com/nacra-crj>. This site provides step by step instructions for uploading your case. You will also be provided the opportunity to upload two case supplements – this is to allow submission of a spreadsheet supplement for the student and for the instructor if needed. No identification of authors or their institutions should appear on either the main case/IM document or on the spreadsheets. All identifying information should be removed from the file properties before submission. If you have audiovisual content to your case, please contact the editor to determine the best way to make this content available to reviewers without revealing the authors' identities.

At least one author must be a member of the North American Case Research Association. Membership dues are included in annual registration for the NACRA conference, or may be paid separately through the main NACRA website.

For questions, contact:

Gina Grandy, Editor
crj.editor@uregina.ca

Adopting *Case Research Journal* Cases for use in your classes

Faculty members can adopt cases for use in their classrooms and gain access to Instructor's Manual through one of NACRA's distribution partners.

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- **Pearson Collections** (<https://www.pearsonhighered.com/collections/educator-features.html>)
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If you want to use one of these distributors, but cannot find the CRJ case you want, contact the NACRA VP Case Marketing, Brent Beal, bbeal@uttyler.edu, to see if we can have it added for you.

Textbook authors can also adopt CRJ cases for inclusion in their textbooks for a modest fixed royalty fee. Please contact the NACRA VP of Case Marketing for more information.

From the Editor

Welcome to Volume 39 Issue 2 of the *Case Research Journal*. In this issue you will find five cases. Of those cases, there is one each in Finance, IT Management, and Operations Management and two in Strategic Management.

The issue starts with the case, “Zorbas Bakeries (Cyprus): An Option to Expand?” by Olga Kandinskaia. The case is set in Nicosia, Cyprus and the owner of a large family owned business, Zorbas Bakeries, was considering opening a store in New York. That decision would inform future international expansion. The case requires students to make a decision based on a net present value analysis, but also to consider the strategic implications of the decision.

Two cases in this issue confront the question of quality. One from an IT management perspective and the other from an operations management perspective. “Can Machine Learning Fix This Coding Compliance Crisis?”, by S.J. Skeete and Janis L. Gogan, is set in a health care setting where the newly hired Vice President of Revenue Cycle Management of Arizona Medical Doctors has to decide whether or not to proceed with an already signed contract with a software firm. The contract is intended to improve medical claims coding quality. The Vice President was concerned about the riskiness of the decision to move forward. The case by Steven Kramer, “Recycling Quality” is also concerned with quality, from an operations management lens. The Manager of a South Florida Materials Recovery Facility has to determine what quality means in this context based on up and down stream elements of the supply chain. This case also includes an extensive data set of more than 390 sampled collection receipts to inform students’ analysis.

The last two cases in this issue are based solely on secondary sourced cases. The *Case Research Journal* specializes in cases based on primary sources, but on rare occasions when a secondary sourced case includes legal proceedings and/or congressional testimony or focuses on an issue that covers a timely and important decision and would otherwise not be published (because direct access to key decision makers is very unlikely), we do consider these cases. “Facebook’s Privacy Breach: Challenges of Managing an Information-Based Supply Chain Risk”, by Maryam Memar Zadeh, draws extensively from documents produced by the Senate, House of Representatives, Federal Trade Commission and Securities and Exchange Commission to highlight a decision faced by Mark Zuckerberg, Chairperson and CEO of Facebook. Zuckerberg has to decide how best to protect the privacy of users to prevent another privacy breach as the one involving Cambridge Analytica. “Vista Outdoor: A Business Portfolio under Stress”, by John J. Lawrence, examines the impact on an organization caught in the middle of the controversial national debate on guns and gun control. Retailers of Vista Outdoor Inc., a publicly traded company that competed in both the shooting sports markets and outdoor products market, stopped ordering and stocking the company’s products following the February 2018 shooting at a high school in Parkland, Florida. CEO Chris Metz needed to decide how to respond to the actions taken by retailers and whether more serious decisions needed to be taken regarding the company’s business portfolio.

As always, I would like to thank the tireless efforts of our reviewers and the editorial team. Please look over the table of contents of this issue and consider using one or more of these cases in your courses, or perhaps even more significantly consider sharing the table of contents from this issue with your colleagues so they can see the interesting cases that will now be available for adoption through our numerous distribution partners, including Harvard, Ivey and The Case Centre.

Finally, we want to encourage all of you to submit your cases to the *Case Research Journal*. Publication in the CRJ provides you the broadest access to distribution and as such presents the greatest opportunity for your case to have real impact on the education of students around the globe. While our review process is quite rigorous, and we necessarily reject more cases than we can accept (our acceptance rate is about 20%), we work hard to turn around case reviews within about 60 days. That means within about 60 days of submission of your decision-focused case, you will have reviewer and editor feedback and a reasonable indication of the potential for your case to earn publication in the CRJ. We look forward to seeing your cases.

Sincerely

Gina Grandy, Editor
Case Research Journal

Abstracts Only

FINANCE

• Finance	Zorbas Bakeries (Cyprus): An Option to Expand?	1
• <i>Capital Budgeting</i>		
• <i>DCF Analysis</i>	Olga Kandinskaia,* CIIM – Cyprus International Institute of Management	
• <i>Net Present Value</i>	[21 Akademias Avenue, Aglandjia, 2107, Nicosia, Cyprus, olga@ciim.ac.cy]	
• <i>Spreadsheet Modeling</i>		
• <i>Real Options</i>		
• <i>Strategic Management</i>	Zorbas Bakeries Case presents a decision situation. The case setting is Nicosia (Cyprus, EU), December 2014. Zorbas Bakeries, a large family-owned Cypriot company, is considering a bold new initiative – opening a new concept store abroad, in New York. Moreover, it isn't just about opening one shop, but the shop that will be used as the pattern for all future international franchise stores. The managing director of the company Demetris Zorbas takes up the responsibility for this project; he has to finalize the plan before the decision by the management team at the end of 2014. "Are we fully ready to go to New York? Will this project add value?" The case requires students to do first a standard NPV analysis, and then presents an opportunity to introduce students, in a relatively easy way, to the rather complex but increasingly important concept of 'real options' in finance, an extension of the traditional DCF analysis.	

Intended Courses and Levels

This case intends to expose students to a wide range of issues related to the strategic investment decision process which are covered within the corporate finance course for MBAs. The case may also be suitable for undergraduate students, in an advanced finance class. The focus of this case is on capital budgeting: students are taken step-by-step through a financial modeling exercise in Excel, which allows them to acquire both theoretical knowledge and practical skills. It is often the case that the full understanding of financial theories comes through computational exercises, and Excel is one of the most accessible and powerful tools available for this purpose. The template Excel file, developed by the author, will facilitate the computational exercise, making it possible to run this case even in the basic finance class (towards the end of it).

Learning Objectives

In completing this case, students should be able to:

- Evaluate a proposal using capital budgeting approaches including NPV and IRR
- Demonstrate knowledge and comprehension of both financial and non-financial considerations that would be critical in this decision
- Apply the concept of 'real options' to this case

IT MANAGEMENT

- *IT Management* **Can Machine Learning Fix This Coding Compliance Crisis?** 17
- *IT Project Risks*
- *Artificial Intelligence*
- *Health Care*
- *Emerging Technologies*

Janis L. Gogan,* Bentley University [175 Forest Street, Waltham MA 02452-4705, jgogan@bentley.edu], S J Skeete

“Arizona Medical Doctors” (AMD, disguised) seeks a cost-effective solution to improve its medical claims coding quality. The new Vice President of Revenue Cycle Management learns a contract was signed with a software firm to develop and implement, for the first time, an artificial intelligence (AI) solution that will combine natural language interpretation and machine learning for Evaluation & Management (E&M) medical coding. If it works, the new system will improve E&M coding quality at a low cost, compared with the company’s current human quality control process. However, the project is risky. If it fails, the 500-provider AMD faces intensified business risks. The VP needs to decide whether to go forward and if so, how to mitigate project and business risks.

Intended Courses and Levels

Targeted for an MBA Strategic IT Management course, this case gives students an opportunity to identify project risks at the start of a complex IT project, and steps managers can take to mitigate each risk. Since the case anchor date (April 2018) is set at the start of the project, students have an opportunity to take a proactive stance to project risks, and to consider how a poorly-managed project can expose a company to predictable business risks. Students also have an opportunity to debate whether (and under what circumstances) an unproven technology is an appropriate choice.

In a Project Management course or project management module in Strategic IT Management, this case pairs well with the retrospective HealthCare.gov case (Gogan, et al. 2016). HealthCare.gov was a very complex project, and project risks were high on every dimension. The planned AMD coding compliance project is small. Technology risk is very high, but on some dimensions the project is less risky.

Learning Objectives

- Draw on PEST analysis to prepare for predictable surprises/crises.
- Identify specific predictable business risks which can result from a flawed system or a software development project that runs behind schedule.
- Assess an organization’s IT project management resources (assets and capabilities), and identify necessary resources that are missing or weak.
- Proactively identify project risks in a planned IT project, and implement appropriate preventive, detective, and corrective controls.

OPERATIONS MANAGEMENT

<ul style="list-style-type: none">• Operations Management• <i>Quality Management</i>• <i>Operations and Processes</i>• <i>Process Analytics</i>• <i>Supply Chain Management</i>	Recycling Quality <div>Steven B. Kramer,* Nova Southeastern University [3301 College Ave., Ft. Lauderdale, FL 33314-7796, steve.kramer@nova.edu], Carolina De Leon, Bruce Wills, Cindy Silva</div> <p>This case comes in two parts. The first part paints a picture of the emerging industry of recycling - ripe with quality issues, some defined, many not. It focuses on a South Florida Materials Recovery Facility (MRF) owned and operated by Waste Management in 2015. The MRF manager is challenged to come up with a quality-based plan of attack for establishing a sustainable position in the community. It includes detail on the up- and down-stream elements of the supply chain.</p> <p>The second part of the case is a data set of over 390 sampled collection receipts over a two-year period and includes over 5000 lines of detail. The MRF manager is challenged to consider it managerially using statistically sound methods. How might insights from that analysis support the MRF's plans for improvements?</p>	41
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Intended Courses and Levels

This case is targeted at a graduate level Quality Management course. The first part of the case could also be used as an advanced exploration in Operations Management or Supply Chain courses. The second part of the case includes a data set to support a Quality Methods (Lean/Six Sigma) course or Data Analytics course.

Learning Objectives

- To conceptually understand and develop a definition of quality based on customer requirements.
- To develop a quality management plan and operationalize it to assess how quality is currently managed.
- To examine the impact of a supply chain in quality.
- To apply analytical techniques to understand sample data and associate analysis outcomes to its implications on quality management.

STRATEGIC MANAGEMENT

<ul style="list-style-type: none">• Strategic Management• <i>Operational Risk Management</i>	Facebook's Privacy Breach: Challenges of Managing an Information-Based Supply Chain Risk <div>Maryam Memar Zadeh,* University of Winnipeg [515 Portage Ave, Winnipeg, Canada 204-786-9348, m.memarzadeh@uwinnipeg.ca]</div>	55
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- *Information-Based Supply Chain*
 - *E-Services*
 - *Privacy Management*
 - *Ethical Decision Making*
- Mark Zuckerberg, Facebook's founder, Chairman and CEO, was under pressure from lawmakers to act on protecting the privacy rights of individuals. Facebook's policies allegedly allowed an app developer to sell Facebook users' data to Cambridge Analytica, a data analysis firm. Cambridge Analytica was accused of using Facebook users' data to profile and influence the voting intentions of British and American people. The disclosure of this news left Facebook tremendously vulnerable to criticism and resulted in an 18% drop in the company's stock prices. After two rounds of intense testimonies before the U.S. Senate and the House of Representatives, Zuckerberg and his management team faced the difficult task of deciding how best to protect the privacy of users to prevent similar adverse events in the future, while maintaining profit.

Intended Courses and Levels

This case can be taught to undergraduate or Masters-level students in courses on strategic IT management, technology and operations management, information security and privacy, operational risk management, and business ethics. The case can be taught in an 80-minute session or it might be used as examination material.

Learning Objectives

The case is intended to fulfill the following teaching objectives:

- Recognize that personally-identifiable data is a valuable business resource that also brings significant business risks.
- Recognize unique strategic and operational challenges in a service operation involving information-intensive and interdependent business partner relationships.
- Establish ethically responsible policies, practices, and controls for collecting, analyzing and protecting personally-identifiable information.

STRATEGIC MANAGEMENT

- | | | |
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| <ul style="list-style-type: none"> • <i>Strategic Management</i> • <i>Corporate Strategy</i> • <i>Related Diversification</i> • <i>Synergies</i> • <i>Corporate Social Responsibility</i> • <i>Growth-Share Matrix</i> | <p>Vista Outdoor: A Business Portfolio under Stress</p> <p>John J. Lawrence,* University of Idaho - College of Business & Economics
[875 Perimeter Drive MS 3161, Moscow, ID 83844-3161, jjl@uidaho.edu]</p> <p>Vista Outdoor Inc. was a publicly traded company that competed in both Shooting Sports markets (e.g., firearms and ammunition) and Outdoor Products markets (e.g., hydration systems, sports helmets). Weak performance resulted in the initiation of a comprehensive strategic review of the company's business portfolio in November of 2017. This review was ongoing in February of 2018 when a 19-year-old former student entered Marjory Stoneman Douglas High School in Parkland, Florida with a semi-automatic AR-15 style rifle and killed 14 students and three educators. Surviving students at the school rallied the nation and asked for</p> | <p>75</p> |
|---|--|------------------|

more action to prevent gun violence. On March 1, in response to customer petitions, both Recreational Equipment Inc. (REI) and Mountain Equipment Co-op (MEC) announced they would stop ordering and stocking Vista Outdoor brands like CamelBak and Bell because the company also manufactured guns (including semi-automatic, AR-15 style rifles similar to the one used in the Parkland shooting) and because they didn't believe that Vista Outdoor was doing enough to advance the national conversation on responsible gun ownership. As the case concludes, students are put in the shoes of Vista Outdoor CEO Chris Metz who must decide how to respond to the actions taken by its retailers and whether the current national debate about guns and gun control should be factored into the ongoing strategic review of the company's business portfolio.

Intended Courses & Levels

This case was written primarily for use in the corporate strategy portion of a strategic management course at the undergraduate level (although it could also be use in an MBA strategy course). There is a crisis communication component to the case, and as such it could also be used in a crisis communications course, although it was not developed with that application in mind. The nature of the case (i.e., developed around the conflict over private ownership of semi-automatic, AR-15 style rifles and their use in mass shootings in schools) probably limits its use to the U.S. as students in other countries will have a hard time relating to the context..

Learning Objectives

The specific student learning objectives of the case are as follows:

- Apply Porter's three tests of Corporate Advantage to better understand when and how related diversification can produce competitive advantage and enhance shareholder value.
- Create a BCG growth-share portfolio matrix and use it as input to evaluate and make changes to a corporate portfolio of businesses.
- Apply Corporate Social Responsibility (CSR) concepts to corporate portfolio decisions, inasmuch as stakeholders are not always in consensus regarding expectations for the strategic business units in a diversified company.
- Develop and use critical thinking skills in formulating appropriate communications strategies to respond to a corporate crisis.



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NACRA is a collaborative organization of approximately 500 researchers, case writers and teachers, mostly in the business disciplines, who support each other's research and writing efforts.

