Case Notes

# Chapter 4: Product And Service Innovations

## Redesigning for Efficiency: The Chevrolet Malibu

## Case Summary

*This case documents General Motors’ three-year project to redesign its Chevrolet Malibu in innovative ways to enhance fuel efficiency.*

Case Analysis *This case illustrates the importance of new product development for organizations. It also describes how General Motors approached redesigning its Chevrolet Malibu to improve fuel efficiency. The case demonstrates new product development strategies coupled with innovative technologies are keys for organizations to respond to market changes with new and improved products and services.*

## Sample Answers to Case Questions

1. Take a side in agreeing or disagreeing with the following statement: “The push to improve fuel efficiency is likely to cause engineers to pursue increasingly risky and untried technologies, ultimately to the detriment of the consumer.”

I disagree with the statement that the push to improve fuel efficiency will cause engineers to pursue increasingly risky and untried technologies that lead to the detriment of consumers. Those organizations that follow and practice a sound approach (e.g., Stage-Gate approach) to new product development that aligns strategies for designing, producing, delivering, and disposing of products (e.g., design for reliability, concurrent engineering) with appropriate technologies will be able to develop and deliver improved products to benefit consumers.

2. How does a car company manage to follow efficiency guidelines and maintain an image of quality? That is, are these competing goals and, if so, how does the company balance them?

Efficiency and quality are not zero-sum trade-offs which means a car company can achieve these goals simultaneously in designing, developing, and delivering a vehicle that meets efficiency guidelines and quality standards. The key here is for car companies to be cognizant of current new product development concepts (e.g., quality function deployment) and advanced technologies (e.g., rapid prototyping) so that they can adopt a sound new product development approach to introduce innovative fuel efficient vehicles of high quality.