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**BEYOND THE WOLF CULTURE:
Tesla, Huawei, and the Quest for
Sustainable Leadership**

Integrating the "Home Model" into Global Enterprise Management

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*This case was prepared for classroom discussion. Cases are not intended to serve as endorsements,
sources of primary data, or illustrations of effective or ineffective management.*

CASE OPENING: 3:00 AM AT GIGA SHANGHAI

Summer 2022. Heavy rain lashes against the steel frame of Gigafactory Shanghai. On the roof, a figure in a standard-issue Tesla visibility vest crouches beside thirty workers, manually scooping water with plastic buckets to prevent a structural collapse. This is not a maintenance technician. This is Tom Zhu (Zhu Xiaotong), Senior Vice President of Tesla Automotive and the highest-ranking executive in the company after Elon Musk.

For over two months during Shanghai's COVID-19 lockdown, Zhu slept on the factory floor alongside thousands of workers. They shared bucket showers, ate rationed meals, and worked twelve-hour shifts in total isolation. While other automakers flatlined, Zhu's "closed-loop" system kept the assembly lines humming, eventually delivering over 710,000 vehicles that year—more than half of Tesla's global output.

This scene encapsulates both the triumph and the crisis of modern "extraction management." On one hand, it demonstrates the raw power of extreme execution. On the other hand, it raises a fundamental question: Is this level of human extraction sustainable—or is it creating a management debt that will eventually lead to organizational collapse?

PART I: THE RISE OF SOVEREIGN VISIONARIES

The Engines of Non-Linear Growth

Few organizations in modern history have achieved the "non-linear" expansion witnessed at Huawei Technologies and Tesla, Inc. Both companies transformed from obscure startups into global titans within remarkably compressed timeframes, defying conventional growth trajectories and reshaping entire industries.

Huawei: Founded in 1987 with merely RMB 21,000 (approximately \$3,000), Ren Zhengfei transformed a small reseller of telephone switches into the world's largest telecommunications equipment manufacturer. By 2025, Huawei's smartphone business had reclaimed the top position in China's domestic market, while its HarmonyOS ecosystem matured and its Qiankun intelligent driving system accumulated over 1.4 million vehicle installations. Even under unprecedented international sanctions and technology restrictions, Huawei has maintained remarkable technological sovereignty.

Tesla: Once dismissed by Detroit as a boutique electric vehicle startup with no realistic path to profitability, Tesla under Elon Musk's leadership became the world's most valuable automaker, achieving a market capitalization exceeding \$1.35 trillion by January 2026. The company's Shanghai Gigafactory, built in just ten months, demonstrated manufacturing capabilities that legacy automakers struggled to comprehend, producing vehicles at a rate of one every two minutes.

The Sovereign Imprint: Two Founders, Two Philosophies

The organizational cultures of both empires are direct reflections of their founders' personal histories and psychological imprints. Understanding these origins is essential to comprehending why their management systems evolved as they did—and why they face the crises they do today.

Ren Zhengfei: From Poverty to the "Wolf Pack"

The Mountain Village Origins: Born in 1944 in a poverty-stricken mountain region of Guizhou Province, Ren's parents were both teachers. In 1963, he enrolled at the Chongqing Institute of Civil Engineering and Architecture (now merged with Chongqing University), where he self-taught electronics, automatic control, and three foreign languages—a remarkable feat during an era of extreme scarcity.

The PLA Engineer: In 1974, Ren joined the People's Liberation Army as a military infrastructure engineer. He participated in the construction of the Liaoyang Chemical Fiber Plant and developed an "Air Pressure Balance" testing instrument that filled a national technological gap, earning him recognition at the 1978 National Science Conference. This military background instilled in Ren a profound sense of mission, discipline, and survival-or-death crisis consciousness that would later define Huawei's culture.

The Desperate Entrepreneur: In 1983, following national military downsizing, Ren transferred to the Shenzhen Nanyou Group. There, he was defrauded of 2 million RMB in a business deal, while simultaneously facing family upheaval. At 43 years old, with "no way out," Ren made the desperate decision to start his own company. This foundational trauma—the experience of being betrayed and left with nothing—became the psychological bedrock of Huawei's famous "survival paranoia."

The Wolf Culture: Ren's definition of "Wolf Culture" (狼文化) is often misunderstood. It does not celebrate brutality but rather three specific traits: a keen sense of smell (market sensitivity), an unyielding fighting spirit, and the ability to struggle collectively as a pack. He famously instituted the "Mattress Culture"—encouraging employees to keep mattresses in their offices for working through the night. Most remarkably, Ren retained only approximately 0.88% of company shares, distributing the remaining equity through an Employee Stock Ownership Plan (ESOP) that bound employee interests tightly to organizational success.

Elon Musk: From the YMCA Shower to "The Last Cent"

Childhood Trauma and Resilience: Growing up in South Africa, Musk experienced severe bullying that once resulted in hospitalization, alongside a strained relationship with his father. This environment cultivated an extraordinarily high tolerance for pain and adversity—a capacity he would later demonstrate when both Tesla and SpaceX stood on the brink of bankruptcy.

Zip2: Sleeping on the Office Sofa (1995-1999): The 23-year-old Musk and his brother Kimbal rented a decrepit office in Palo Alto for \$500 per month. Unable to afford an apartment, they slept on the office sofa and showered daily at the nearby YMCA. The startup's website ran on an overclocked, self-assembled computer. In a legendary act of resourcefulness, Musk drilled a hole through the office floor to tap directly into the LAN cable of the Internet Service Provider located in the office below, securing cheap connectivity.

The First Coup (1996): Despite personally writing nearly all the early code for Zip2, investors deemed Musk too inexperienced to lead. In 1996, the board removed him from the CEO position and installed a more "mature" leader. This was the first of multiple ousters that would shape his distrust of professional managers.

X.com and the Honeymoon Coup (1999-2002): When Zip2 was acquired for \$307 million, Musk received \$22 million—and immediately reinvested nearly all of it into his new venture, X.com (later PayPal). Even in 1999, Musk was fixated on the "X" brand, envisioning it as an all-in-one financial super-app. Following a merger with Peter Thiel's company, Musk clashed with the engineering team over his insistence on Microsoft systems rather than Unix. The breaking point came when Musk boarded a flight to Australia for his honeymoon. While he was literally

in the air, the board held a secret vote to remove him as CEO. By the time he landed, he was no longer in charge of his own company.

The 2008 Crisis: "I Will Spend My Last Cent"

The year 2008 marked what Musk describes as the "darkest year" of his life—and the crucible that forged his permanent "wartime" management culture.

The Double Failure: By late 2008, Musk was personally broke. He had invested all his wealth—over \$180 million from the PayPal sale—into SpaceX and Tesla. Both were failing simultaneously. SpaceX had experienced three consecutive launch failures of the Falcon 1 rocket; if the fourth launch failed, the company was dead. Musk had only enough money for one final attempt. Meanwhile, Tesla was burning cash, the Roadster was severely delayed, and the Global Financial Crisis had frozen the credit markets entirely.

The "Suicidal" Fundraising: Musk took his last \$40 million—money he had set aside for his own living expenses—and poured it into Tesla as a bridge loan. He famously told investors: "I will spend my last cent on these companies. If we go down, I go down with them." On Christmas Eve 2008, Tesla's financing round closed just hours before the company would have bounced its payroll checks. That same year, SpaceX's fourth Falcon 1 launch finally succeeded—saving the company from extinction.

The Cultural Legacy of Near-Death: This near-death experience became the foundational myth of both Tesla and SpaceX, creating permanent cultural traits that persist to this day:

The "Hardcore" Mandate: Because he nearly lost everything, Musk believes extraordinary effort is the only acceptable baseline. This is why he expects employees to work 80-100 hours during "surges"—he views anything less as an existential risk to the company's survival.

Extreme Cost Consciousness: At SpaceX, engineers were forbidden from buying \$100,000 "space-grade" parts if a \$5,000 industrial part could be modified to work. This "First Principles" cost-cutting saved the company in 2008 and became a core engineering pillar.

Tolerance for High-Stakes Risk: Musk learned that "betting the company" can work. This leads to decisions like building Starship out of stainless steel (a radical, unproven choice) or removing ultrasonic sensors from Tesla cars to save costs—decisions that would terrify a traditional CEO.

The "Mission" as Survival Tool: To keep employees working under such stress, Musk leans heavily on the "Save Humanity" narrative (Mars colonization, energy transition). He frames work not as a job, but as a crusade to ensure the light of consciousness doesn't go out.

The Philosophical Divide: First Principles vs. Gray Philosophy

Both philosophies aim to solve complex problems, but they operate on fundamentally different planes: Musk seeks the "Absolute Truth" of physics, while Ren manages the "Human Paradox" of organizations.

Musk—The "Absolute" Pursuer: Musk treats social and business systems as engineering problems. He believes that if you don't violate the laws of physics, everything else is just a "recommendation." This leads to radical disruption—for instance, removing radar from Tesla's "Vision Only" system was a First Principles decision: humans drive with vision, so cars should too. The risk is fragility: if the core assumption is wrong, the entire structure collapses. It requires a "Dictator-CEO" to force the logic through organizational resistance.

Ren—The "Ambiguity" Master: Ren believes that "clear-cut" decisions in a complex human organization lead to brittleness. His "Gray Philosophy" (灰度哲学) posits that management is the art of compromise—finding the optimal path between black (rigidity) and white (chaos). This leads to evolutionary stability: Ren allows departments to compete or even clash to find middle ground. He famously said, "A leader must be able to tolerate being wronged and embrace ambiguity." The risk is bureaucracy: if "Gray" becomes an excuse for indecision, the organization loses its "Wolf" edge.

The Summary Contrast: If you ask Musk how to build a bridge, he will calculate the tensile strength of steel. If you ask Ren, he will ask who is crossing it, how much they will pay, and who will maintain it. *Musk optimizes the Machine; Ren optimizes the Tribe.*

Exhibit A: Founder Background Comparison

Dimension	Ren Zhengfei	Elon Musk
Birth Year / Origin	1944, Guizhou (rural poverty)	1971, South Africa
Formative Trauma	Defrauded of RMB 2M at age 43	Bullying; twice ousted as CEO; 2008 bankruptcy
"Darkest Year"	1987 (founding crisis)	2008 (lost \$40M, Christmas Eve)
Core Philosophy	"Gray Philosophy" (灰度哲学)	"First Principles" (物理学逻辑)
Crisis Culture	Institutional & Collective	Personal & Volatile
Decision Logic	Dialectical: Balance contradictions	Deductive: If physics allows, proceed
Cultural Metaphor	"Huddle together, sharpen teeth"	"Follow me into the fire or leave"

The Execution Machine: Tom Zhu as Paradigm Case

Nowhere is Musk's extraction leadership model more visible than in the career trajectory of Tom Zhu, who embodies both its extraordinary achievements and its inherent contradictions.

The "Road Builder" in Africa (2009-2011): Before joining Tesla, Zhu worked as a project manager for Kaibo Engineering Group, managing infrastructure projects for Chinese contractors in Africa. In the demanding environments of Libya and Sudan, he oversaw the construction of bridges, hospitals, and electrical grids under extreme conditions. When a labor strike paralyzed one project, Zhu moved into the worker camp, eating and living alongside laborers until a resolution was reached in three days. This formative experience established his "Core Code"—leadership through shared hardship and physical presence.

The "China Speed" (2018-2019): When Zhu took charge of Gigafactory Shanghai in 2018, the timeline demanded by Musk was considered impossible: transform a muddy field in Lingang into a world-class vehicle factory in under twelve months. Zhu moved to a government-subsidized apartment ten minutes from the construction site, paying less than RMB 2,000 per month in rent. For ten months, he had no fixed office, arriving at the site at 5:30 AM daily wearing his signature buzz cut, Tesla fleece jacket, and safety boots. The result: groundbreaking to first production in just ten months, at a cost 65% lower than comparable U.S. facilities.

The Lockdown Leadership (2022): During Shanghai's severe COVID-19 lockdown, Zhu was among the first executives to roll out a sleeping bag on the factory floor. His "closed-loop" production system—workers living entirely within factory premises—allowed Tesla to restart production faster than any other automaker. By year-end 2022, Shanghai had produced over 750,000 vehicles, representing more than half of Tesla's global output. To Musk, Zhu represents the ideal "Sovereign Audit" in human form—a leader who embodies the 2008 "last cent" spirit.

PART II: THE LIMITS OF EXTRACTION

Tesla's Talent Desert: The "Child Soldier" Paradox

As Tesla and SpaceX reached the scale of global conglomerates, a critical paradox emerged. The same near-death 2008 culture that saved both companies now threatens to destroy them through chronic talent attrition.

The Startup Incentive in a Multinational Body: Musk's compensation philosophy—a base salary around \$300,000 (modest for global vice presidents) paired with high-risk, performance-linked stock options—is designed for hungry entrepreneurs willing to gamble their financial futures. This functions effectively in early-stage ventures but creates systematic talent misalignment when applied to mature multinational operations.

The Biological Barrier: By demanding 24/7 "hardcore" commitment—midnight inspections, weekend work as standard practice, immediate response to communications at all hours—Musk effectively created a demographic filter. Seasoned executives in their 40s and 50s—the "Management Middle Class" with accumulated wisdom, established families, and reasonable expectations of professional dignity—are systematically excluded.

What remains is the "Child Soldier" phenomenon: young, high-energy individuals without significant family obligations who can survive the "trench" environment for 18-24 months before burning out. By early 2026, reports indicated that xAI experienced approximately 50% turnover within a single year. At X (formerly Twitter), Musk's post-acquisition layoffs eliminated approximately 80% of staff, with remaining employees forced to accept an "extremely hardcore" environment.

Manufacturing "Artificial Crises": Tesla and SpaceX are no longer "poor"—but Musk continues to manufacture "artificial crises" (like the 2024-2025 "Purges" at Tesla and X) to prevent what he calls "organizational complacency." The question is whether this permanent wartime footing can be sustained without destroying the very talent base required for long-term success.

Exhibit B: Tesla Executive Departures (2023-2025)

Executive	Position	Departure
Zachary Kirkhorn	Chief Financial Officer	August 2023 (13-year tenure)
Drew Baglino	SVP Engineering & Batteries	April 2024 (18-year tenure)
Rebecca Tinucci	Sr. Director, Supercharging	April 2024 (entire team eliminated)
Vineet Mehta	Top Battery Executive	May 2025 (18-year tenure)
Omead Afshar	Head of NA/Europe Operations	June 2025 (Musk confidant)
Troy Jones	VP Sales, North America	July 2025 (15-year tenure)
Milan Kovac	Optimus Robotics Team	2025 (key AI engineer)

Source: *Benzinga, Fortune, Times of India, TESMAG (2024-2025)*. Executive turnover among Musk's direct reports: 44% vs. 9% industry average.

Huawei's "Gold-Plated Handcuffs": The Fatigue of War-Time Mobilization

While Musk uses "Vision" and manufactured crises to extract labor, Ren Zhengfei employs what might be termed the "Indignity Premium"—compensating employees significantly above market rates in exchange for accepting conditions unacceptable elsewhere. However, by early 2026, this model was showing severe signs of fatigue.

The Weakening of the "Golden Handcuffs"

Declining Dividends: Huawei's 2024 ESOP dividend per share was RMB 1.41, down from RMB 1.50 in 2023 and significantly below the peak of RMB 2.89 during 2020-2022. While the pre-tax return rate of approximately 18% still exceeded most financial products, the fundamental bargain—"work extremely hard in exchange for extraordinary returns"—was showing cracks.

Revenue Growth Without Profit Growth: In the first three quarters of 2024, Huawei's revenue grew 29.5% to RMB 585.9 billion, yet net profit attributable to owners declined 13.8%. This meant employees were working harder (reflected in revenue growth) while the pool available for dividends (net profit) was shrinking—intensifying the sense of "involution" (内卷).

The "Striver Agreement" and Institutionalized Pressure

Huawei's unique management system has legalized and normalized high pressure through the "Striver Application Agreement" (奋斗者申请协议). Core employees who sign this agreement voluntarily waive paid annual leave, non-mandatory overtime compensation, and paternity leave

in exchange for eligibility for stock allocation and annual bonuses. This institutionalizes the surrender of legally mandated benefits as a prerequisite for advancement and profit-sharing.

The Permanent War Footing: Since the 2019 U.S. sanctions, Huawei has operated in a perpetual emergency state. R&D personnel must not only develop new features but also reconstruct legacy code to accommodate domestic substitutes for banned foreign components. This years-long "forced march" has generated widespread psychological exhaustion. Unlike Musk's "manufactured crises," Huawei's crisis is real—but the organizational response has similarly taxed human limits.

Talent Attrition Data

The "Two-Year Itch": Internal statistics and social media discussions indicate Huawei's turnover rate within the first two years is approximately 20%. For every five employees hired, one leaves within two years.

Long-Term Retention Collapse: Data shows that after four years, employee retention drops to only 40-50%. Those who persist beyond eight years—the "Old Huawei People"—represent only 20-30% of their original cohort. This suggests Huawei is gradually transforming from a lifetime employment harbor into a high-turnover platform.

The "35-Year-Old Cliff": Although officially unacknowledged, persistent discussions on social platforms about "34+ delivery" staff facing non-renewal and R&D personnel being cleared after age 40 have created profound insecurity among senior employees.

Exhibit C: Huawei ESOP Dividend Trend and Retention Data

Metric	Value
2024 ESOP Dividend Per Share	RMB 1.41 (down from 2.89 peak)
2024 Pre-tax Return Rate	~18%
Q1-Q3 2024 Revenue Growth	+29.5% (RMB 585.9 billion)
Q1-Q3 2024 Net Profit Change	-13.8%
Q1-Q3 2024 R&D Spending	RMB 127.4 billion (21.7% of revenue)
Two-Year Turnover Rate	~20%
Four-Year Retention Rate	40-50%

Eight-Year+ "Old Huawei" Ratio	20-30% of original cohort
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Sources: *Securities Times, Dongfang Wealth, Huaxia Cornerstone (January 2025)*

The Hidden Cost: Dr. Yin's 45-Fold Survival Premium

The most significant evidence against extraction management models emerges from Dr. Yin's longitudinal research on organizational crisis resilience. Traditional performance metrics—KPIs, stock prices, efficiency ratios—represent what Dr. Yin terms the "Performance UI" (User Interface). These surface indicators appear flawless during stable conditions. However, documentation of recent global economic and geopolitical shocks reveals a catastrophic "Resilience Debt."

Exhibit D: The 45X Crisis Cost Differential

Crisis Response Metric	Wolf/Extraction Model	Home Model
Response to Revenue Shock	Leadership fragmentation; mass resignation threats	Collective pay cut acceptance; "protect the home"
Emergency Recruitment Costs	\$3.2 million	\$45,000
Legal/Severance Costs	\$4.1 million	\$85,000
Lost IP/Institutional Memory	\$900,000	\$50,000
TOTAL CRISIS COST	\$8.2 million	\$180,000

Source: *Dr. Yin's longitudinal research on organizational crisis resilience (2024-2025)*

The 45-fold cost differential emerges from a fundamental difference in employee psychology. In extraction-model organizations, the employment relationship is explicitly transactional: labor exchanged for compensation, with no expectation of mutual sacrifice during adversity. When revenue shocks prevent payment of expected bonuses or threaten job security, employees rationally pursue exit options, triggering cascading organizational failure.

PART III: HOME MODEL 2.0—A SYNTHESIS

Lessons from East Asia: Warmth Versus Stagnation

To address the crisis of extraction management, we must examine the East Asian tradition of generalized reciprocity—but with critical discernment regarding its limitations.

The Traditional Model: Japan's "lifetime employment" (終身雇用, *shūshin koyō*) system, along with similar practices in Taiwan and Korea, historically provided extraordinary psychological safety. This security transformed employees into organizational "citizens" who would defend the company during economic downturns.

The Fatal Flaw: However, these models frequently succumbed to "Management Sclerosis." Seniority-based promotion (年功序列, *nenkō joretsu*) suppressed innovation by ensuring advancement depended on tenure rather than contribution. A 2023 survey found that only 30.1% of new Japanese employees aspire to remain with a single company long-term. As Toyota President Akio Toyoda acknowledged in 2019: "It's difficult to maintain lifetime employment" under current economic conditions.

Defining Home Model 2.0: "Rigorous Rules, Warm Hearts"

Dr. Yin proposes a "Third Way"—Home Model 2.0—that integrates the strengths of both Western and Eastern management traditions while avoiding their respective pathologies.

Component 1: Western Scientific Governance (The "Hard" Frame)

Merit-Based Mobility: Breaking the seniority trap requires transparent, rigorous, performance-driven promotion paths. Unlike traditional Japanese systems where advancement was virtually guaranteed with time, Home Model 2.0 organizations establish clear competency thresholds that must be demonstrated regardless of tenure.

Institutionalized Innovation: Rules and charters must ensure new ideas are rewarded regardless of the proponent's age or rank. This includes formal mechanisms for bottom-up innovation proposals, protected time for experimentation, and promotion criteria that explicitly value creative risk-taking.

Eliminating the "Property Manager" Mentality: Unlike stagnant bureaucracies where senior leaders merely manage existing assets, Home Model 2.0 uses rigorous KPIs to ensure high-level positions are occupied by "Steward Leaders" who actively create value rather than merely preserve it.

Component 2: Eastern Humanistic Stewardship (The "Soft" Connection)

Career Sovereignty: Moving beyond "hire-and-fire" casualization requires providing baseline professional security. When employees pass their physical peak—the "Post-35" dilemma that Huawei addresses through termination—Home Model organizations find ways to utilize their accumulated institutional memory through mentorship, advisory, and specialized consulting roles.

The Psychological Safety Net: Providing genuine "home" extends beyond the individual to encompass family considerations: family health coverage, childcare support, eldercare assistance, and flexible arrangements acknowledging life-stage transitions. The goal is creating emotional bonds that neither AI nor financial compensation alone can simulate.

Dignified Transitions: When separation becomes necessary, Home Model organizations manage transitions with dignity: extended notice periods, outplacement support, alumni networks, and the explicit possibility of return. Even departing employees remain ambassadors rather than adversaries.

Exhibit E: Management Model Comparison Matrix

Dimension	Wolf/Extraction	Traditional Lifetime	Home Model 2.0
Primary Driver	Fear & Greed	Tradition & Seniority	Security & Purpose
Talent Structure	"Child Soldiers" (High Turnover)	Stable but Stagnant	High-Loyalty Citizens
Crisis Response	Flight/Litigation (Fragile)	Rigid Adaptation	Collective Sacrifice (Antifragile)
Innovation Capacity	High (Short-term)	Low (Suppressed)	High (Sustainable)
Knowledge Retention	Poor (Brain Drain)	Excellent (Over-retention)	Optimal (Selective)
Long-term Viability	Questionable	Declining	Strong

CONCLUSION: THE CHOICE FOR THE 2026 BOARDROOM

As global corporations stand at a crossroads, the choice becomes increasingly clear. The extraction management models that propelled Tesla and Huawei to dominance are encountering fundamental limits as these organizations mature.

Tom Zhu's extraordinary achievements—sleeping on factory floors, scooping water from rooftops, delivering "China Speed" that defied industry expectations—represent both the ceiling and the crisis of the extraction paradigm. The question is not whether Zhu's individual performance was remarkable—it clearly was. The question is whether organizations can systematically produce and retain leaders of comparable caliber when the management model itself repels experienced talent with families, health concerns, and reasonable expectations of professional dignity.

Musk's 2008 "last cent" moment created a corporate mythology of survival through extreme sacrifice. But what saved Tesla and SpaceX as startups may be destroying them as mature enterprises. The 44% executive turnover rate, the "Child Soldier" filtering mechanism, and the permanent "wartime" culture that manufactures artificial crises all suggest an organization optimized for one-time survival rather than sustainable excellence.

The parallel crisis at Huawei is equally instructive. The "Striver Agreement" system that once bonded employees to organizational destiny is now generating 20% turnover within two years, with only 20-30% surviving beyond eight years. As dividends decline while workloads intensify, younger workers increasingly question the "cost-benefit" of the Wolf Culture. The permanent war footing that energized the organization during the initial sanction crisis is now manifesting as widespread psychological exhaustion.

Home Model 2.0 offers an alternative path: by combining Western scientific governance with Eastern humanistic stewardship, organizations can achieve both high performance and organizational resilience. The 45-fold cost differential during crisis periods represents not merely financial advantage but existential differentiation. When the next economic shock arrives—and history suggests it will—organizations built on generalized reciprocity will survive while those built on transactional extraction will fragment.

The ultimate insight may be the simplest: sustainable competitive advantage cannot be extracted from employees—it must be cultivated with them. Leaders who build "homes" will outlast those who merely build "machines."

DISCUSSION QUESTIONS

1. Musk's 2008 "I will spend my last cent" moment became a foundational myth for Tesla and SpaceX. How do founding crisis narratives shape organizational culture? When do they become assets versus liabilities as companies mature?
2. Tom Zhu's success has been attributed to his unique background—African infrastructure experience, Chinese cultural stamina, and relative youth. To what extent is his performance replicable? Can Tesla's management model be sustained if it depends on finding exceptional individuals willing to sacrifice conventional work-life boundaries?
3. Huawei's "Striver Agreement" institutionalizes the voluntary surrender of legally mandated benefits. Is this a legitimate form of employee choice, or does it represent coercion through economic incentive? How should regulators in different jurisdictions respond?
4. Both Ren Zhengfei and Elon Musk were shaped by early experiences of betrayal and being "pushed out." How did their different responses—Ren's "Gray Philosophy" versus Musk's "First Principles"—create fundamentally different organizational cultures?
5. Musk continues to manufacture "artificial crises" to prevent "organizational complacency." Is permanent wartime culture a legitimate management tool, or does it inevitably lead to talent attrition and organizational fragility?
6. Dr. Yin's research documents a 45-fold cost differential between extraction and home models during crisis periods. How would you design a study to test this finding? What alternative explanations might account for the observed differential?
7. Traditional Japanese lifetime employment contributed to decades of economic stagnation. How does Home Model 2.0's incorporation of Western merit-based principles address the innovation-suppression critique? What mechanisms would you implement to prevent comfortable mediocrity?

ADDITIONAL EXHIBITS

Exhibit F: Tom Zhu Career Timeline

Period	Role/Achievement
2004	B.S. Commerce/IT, Auckland University of Technology (New Zealand)
2010	MBA, Duke University Fuqua School of Business
2009-2011	Project Manager, Kaibo Engineering Group (Africa: Libya, Sudan infrastructure)
April 2014	Joined Tesla to lead Supercharger network development in China
Dec 2014	Promoted to General Manager, Tesla China
2018-2019	Led Gigafactory Shanghai construction (10 months, 65% cost savings vs. US)
2022	"Closed-loop" COVID management; delivered 710,000+ vehicles
Jan 2023	Promoted to oversee global production, NA/Europe sales
April 2023	Senior Vice President, Automotive (current)
May 2024	Returned to Shanghai to address China market challenges

Exhibit G: Musk Enterprise Portfolio (January 2026)

Company	Business	Status	Key Data
Tesla	EV, AI, Energy	Growth slowing; AI pivot	FY2025 Net Income: \$3.79B
SpaceX	Launch, Starlink	Strong growth; IPO planned	2025 Est. Revenue: \$15.5B
X (Twitter)	Social Media	Ad revenue pressure	2024 Ad Revenue: \$3.14B (-5%)
xAI	AI Research	Rapid growth; ~50% turnover	2026 Est. Revenue: \$2B

Sources: Teslarati, Forbes, Times of India (2025-2026)

Exhibit H: The 2008 "Last Cent" Timeline

Date	Event
2006-2008	Musk invests \$180M+ (entire PayPal fortune) into Tesla and SpaceX

Aug 2008	SpaceX Falcon 1 third launch failure; company near extinction
Sept 2008	Lehman Brothers collapses; credit markets freeze globally
Sept 28, 2008	SpaceX Falcon 1 fourth launch succeeds; company saved
Oct-Dec 2008	Musk invests last \$40M (personal living expenses) into Tesla
Dec 24, 2008	Tesla financing closes hours before payroll would have bounced
Dec 2008	NASA awards SpaceX \$1.6B contract; both companies stabilized

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