



## Teacher guide

### Organic & Inorganic Growth – Bibby Line Group



#### Where does the lesson fit?

This session would follow a general introduction to growth in a Strategy Module.

**Suggested resources & activities** related to organic and inorganic growth and the Bibby Line Group.

- Full Bibby Line Group case study
- Organic and Inorganic Growth PowerPoint
- Organisational Growth lesson resources
- Bibby Line Group crossword
- Bibby Line Group word search

#### Suggested timings for the session

5 mins	Starter e.g. Bibby Line Group crossword
5 mins	Use the Organic and Inorganic Growth PowerPoint to discuss the topic
5 mins	Read the case study
10 mins	Questions
25 mins	Task . board game
10 mins	What have you learned?

#### Answers to questions

1. What is organic growth?  
Organic growth is internal growth that could include finding more customers in existing markets, new markets or introducing new products.
2. Describe the two main ways inorganic growth can occur.  
Merger . two or more businesses agree to join together.  
Acquisition/takeover . one firm takes over another by buying the majority of shares.
3. Using the case study, give an example of how Bibby Line Group has grown both organically and inorganically.  
Organic . growth of the shipping business by buying new vessels and expanding into new routes such as India, China and South America  
Inorganic . acquisition of Costcutter in 2007
4. Analyse the advantages and disadvantages of inorganic growth.



## **THE TIMES 100**

### **BUSINESS CASE STUDIES**

Advantages include:

- Can occur quickly
- Can gain customers, sales, assets and market position immediately
- Gains skills and experience of employees in the other firm

Disadvantages include:

- Expense . usually more costly that organic growth
- Risk
- Possibility of culture clash

### **What have you learned?**

Expected learning is likely to include:

- Reasons for growth
- Definitions of organic and inorganic growth
- Advantages and disadvantages of organic and inorganic growth