Journals

Guillermo Armelini - Julián Villanueva

Abstract: Ever since the birth of web 2.0, consumer-controlled, Internet-based technologies, such as blogs, social networking sites, and wikis, have been forcing firms to reconsider their marketing strategies. First, as many studies have shown, younger consumers watch less television as other screens compete for their attention, leading to substantially lower advertising elasticities over time. Second, people are more willing to express negative opinions of brands, because web 2.0 provides them with mechanisms for self-expression and establishes sufficient critical mass to attract firms’ attention to their problems. The widely publicized conflict between Dave Carroll and United Airlines and the videos of bicyclists destroying Kryptonite locks help illustrate the extent to which consumers’ dissatisfaction can damage brands. Third, on the other side of the coin, firms can attain some unique benefits from the web 2.0 phenomenon. For example, viral marketing offers a form of communication and distribution that relies on customers to transmit digital messages or products through their electronic devices to other consumers. With good viral marketing, marketers get customers and potential consumers do their job for them.

Mary E. Barth – Gaizka Ormazabal – Daniel J. Taylor

Abstract: This paper examines the sources of credit risk associated with asset securitizations and whether credit-rating agencies and the bond market differ in their assessment of this risk. Measuring credit risk using credit ratings, we find the securitizing firm’s credit risk is positively related to the firm’s retained interest in the securitized assets and unrelated to the portion of the securitized assets not retained by the firm. Measuring credit risk using bond spreads, we find the securitizing firm’s credit risk is positively related to both the firm’s retained interest in the assets and the portion of the securitized assets not retained by the firm. Additionally, our findings indicate the bond market does not distinguish between the retained and non-retained portions of the securitized assets when assessing the credit risk of the securitizing firm. These different assessments of sources of credit risk associated with asset securitizations provide insight into ongoing controversies surrounding the financial reporting for asset securitizations and the efficacy of credit ratings.

Pablo Fernández

Abstract: The correct way of valuing seasonal companies by cash flow discounting is to use monthly data. It is possible to use annual data, but the data require some adjustments. We show that when using annual
data in the context of the adjusted present value (APV), the value of the unlevered equity (Vu) and the value of the tax shields (VTS) calculations must be adjusted. However, the debt that we have to subtract to calculate the equity value does not need to be adjusted. We derive the adjustments to be made. Errors due to using annual data without making the adjustments are large. Making the adjustments using only average debt and average working capital requirements does not provide a good approximation.

When inventories are a liquid commodity such as grain or seed, it is not correct to consider all of them as working capital requirements. Excess inventories financed with debt are equivalent to a set of futures contracts. Not to take this into account is to undervalue the company.

In this paper we value a company in which the seasonality is due to purchases of raw materials: the company buys and pays for all raw materials in December each year. We show that the equity value calculated using annual data without making the adjustments is understated by 45% if the valuation is done at the end of November. The error that results from making the adjustment based only on average debt and average working capital requirements ranges from -17.9% to 8.5%.

Our results should encourage multinational corporations to adopt dynamic segmentation methods rather than static methods.

**Domènec Melé – Michael Naughton**


**Abstract:** This article serves as an editorial introduction to this special issue on Pope Benedict’s encyclical-letter *Caritas in Veritate* (2009) and its engagement with the field of business ethics. In this encyclical, love in truth, which includes justice, is indeed presented as a basic moral foundation for economic and business ethics. The article provides an overview of some major themes in the encyclical and how they relate to the essays in this special issue. The authors in this issue are an interdisciplinary group of scholars in the fields of philosophy, theology, psychology, business, economics, and political science, who address the relevance and relationship of the encyclical to business ethics in light of their disciplinary field. Their articles include, among other topics, discussions based on recent scholarship on business ethics, the relationship between economics and ethics, the orientation of business to the common good, the encyclical’s proposal of the principle of gratuitousness and the logic of gift in ordinary business, and new perspectives on economic exchange and bargains and hybrid forms of business.

Aurelie Lemmens – Christophe Croux – Stefan Stremersch


**Abstract:** Prior international segmentation studies have been static in that they have identified segments that remain stable over time. This paper shows that country segments in new product growth are intrinsically dynamic. We propose a semi parametric hidden Markov model to dynamically segment countries based on the observed penetration pattern of new product categories. This methodology allows countries to switch between segments over the life cycle of the new product, with time-varying transition probabilities. Our approach is based on penalized splines and can thus be flexibly applied to any non-stationary phenomenon, beyond the new product growth context.

For the penetration of six new product categories in 79 countries, we recover the dynamic membership of each country to segments over the life cycle. Our findings reveal substantial dynamics in international market segmentation, especially at the beginning of the product life. Finally, we exploit the dynamic segments to predict the national penetration patterns of a new product before its launch and show that our forecasts outperform forecasts derived from alternate parametric and/or static methods.

Alejo Sison – Edwin M. Hartman – Joan Fontrodona


**Abstract:** Virtue ethics, the authors believe, is distinct and superior to other options, first because it considers which preferences are worth pursuing, rather than just blindly maximizing preferences, and second because it also takes intuitions, emotions and experience into account, instead of acting solely on abstract universal principles. Moreover, virtue ethics is seen as being firmly rooted in human biology and psychology, particularly in our freedom, rationality, and sociability. Work, business, and management are presented as vital areas for the development of virtues, not least with a view to human flourishing. We conclude by introducing the articles included in this special issue.
Alejo Sison – Joan Fontrodona

Abstract: This article proposes a theory of the firm based on the common good. It clarifies the meaning of the term “common good”, tracing its historical development. Next, an analogous sense applicable to the firm is derived from the term’s original context in political theory. Put simply, the common good of the firm is the production of the goods and services that are needed for flourishing, in which the firm’s members participate through work. This is linked to the political common good through subsidiarity. Lastly, implications and challenges arising from the positing of work as the common good of the firm are explored.

Antonino Vaccaro

Abstract: This article presents the results of the longitudinal study of Addiopizzo, a successful anti-bribery organization founded in Sicily in 2004. It analyzes how this organization has used information disclosure as a strategy to fight adverse environmental conditions and the immoral activities of the Sicilian Mafia. This article extends the business ethics and corporate social responsibility literature by showing how multi-level strategic information disclosure processes can help gain organizational legitimacy in adverse social environments and successfully fight against social resistance to change, low levels of moral imagination, and attacks from criminal organizations. This article provides an additional contribution to the literature by linking the three research streams on corporate transparency, the fight against corruption, and organizational legitimacy.

Books
Santiago Alvarez de Mon

Abstract: Si ganar es una motivación legítima y natural, si alcanzar nuestra cima es un objetivo admirable, los tropiezos del camino han de ser incluidos en nuestra álgebra personal. La aceptación tranquila, humilde y consciente de una realidad irrefutable, el acto humano de perder, es la mejor plataforma para desafiar los límites y ganar partidos “imposibles”. Quién soy es una pregunta transcendentual, decisiva, radical, muy difícil de plantear y contestar sin la presencia didáctica de la pérdida. Hay mucho de sabiduría, autenticidad y libertad encerrada en la experiencia humana de perder. Es ella la que nos instruye y explica enseñanzas valiosas sobre la vida, su dureza, y sobre nosotros mismos. ¿Qué es el éxito? ¿Quién lo define? ¿Sabe perder? ¿Cuál es su particular recuento de victorias y derrotas? Como en los partidos de guerra, ¿cuál es su balance final de pérdidas? ¿Lastran su odisea personal o la guían y enriquecen dotándolo de una mirada más realista, humilde y sabia? ¿Qué es el éxito? ¿Quién lo define? Estas son algunas de las preguntas que el autor se plantea a lo largo del texto.

Contributions to books
Jaume Llopis

Domènec Melé

Abstract: Entendemos como “personalización” un proceso de desarrollo de la persona en aquello que le es propio y más específico. La personalización exige deliberación y búsqueda de la verdad, especialmente en el sentido de la vida y en el conocimiento de aquello que conduce al desarrollo humano integral según los propios talentos e identidad. También actuando en coherencia con la verdad conocida y amando lo que resulta verdaderamente valioso y digno de ser amado. Lo contrario es la despersonalización, que puede revestir diversos modos. El presente trabajo los explora, así como su valoración ética. Se presta especial atención a la despersonalización en el ámbito empresarial, analizando varios factores que pueden contribuir a ello. Finalmente, se discute cómo favorecer la personalización en la empresa. La argumentación incluye diversas enseñanzas sociales de la Iglesia, con toda su riqueza antropológica y ética, en relación con este tema.
Maruja Moragas – Nuria Chinchilla

Abstract: La incorporación masiva de las mujeres al mundo de lo público ha provocado múltiples cambios. Su llegada ha producido algunos desajustes, que están todavía en fase de resolución. En una primera etapa, muchas mujeres se masculinizaron para poder llegar a puestos directivos. Sin embargo, las nuevas generaciones parecen no tener ningún interés en seguir patrones que no les son propios.

Jean-Pierre Papart – Alain-Max Guénette – Yih-teen Lee

Abstract: Based on the model of Karasek (1979), we examine the joint effect of job demand and job control on workers’ subjective well-being and physical and psychological health. We also investigate the moderating effect of professional social support in this context. Data were collected from four thousand workers in ten organizations in the region of Geneva. Using polynomial regression and response surface methodology, we find, consistent with Karasek’s prediction, that workers suffer most when jobs are designed in such a way that job demand is high and job control is low. Moreover, our results offer a more refined understanding of the results with different combinations of job demand and job control. Professional support is found to moderate the aforementioned relationship, such that the negative effect of high demand/low control is buffered by support. Theoretical and practical implications about job design are discussed.

José R. Pin

Abstract: El autor analiza la incidencia de la ética en los tres aspectos de la gestión empresarial: el descubrimiento de oportunidades, la búsqueda de socios y ejecutivos para realizar el negocio y, a veces, la recaudación de fondos para ponerlo en marcha.

B. Sebastian Reiche – Yih-teen Lee – Javier Quintanilla

Abstract: In this chapter we focus on the cultural approaches to comparative Human Resource Management (HRM), examining how cultural values and norms shape managerial choices across national contexts and how these choices may, in turn, explain differences in HRM. In a first step we review conceptualizations of culture and consider the main cultural frameworks applied in comparative research on HRM. We also explain the sources for these national effects and describe mechanisms through which culture influences the design of HRM. In a second step we review specific areas of HRM that are subject to the influence of culture, placing a particular focus on four key HRM functions. In a third step we concentrate on multinational companies as carriers of culture that promote the flow and adaptation of culturally imbued HRM practices. Finally, we reflect critically on the limitations of the cultural perspectives on comparative HRM and conclude with directions for future research.

Guido Stein – Javier Capapé – Manuel Gallego

Abstract: The financial industry in Spain is facing a period of radical change. After many years in which savings banks (“cajas”) and banks coexisted, new capital requirements have sparked a massive concentration process, through mergers and acquisitions.

In this chapter we analyze board composition and review current banking legislation, the corporate governance model, and board structure and remuneration. We use factor analysis to draw a banking map and cluster analysis to sort banks into homogeneous groups. We find that compliance with good governance recommendations has helped banks and cajas improve their management, but it has not prevented many of them from running into serious difficulties because, ultimately, the personal and professional competence of their managers and directors remains decisive, beyond any codes or policies.
Abstract: Management control systems (MCS) are designed to achieve the greatest possible goal congruence, where people pursue personal goals that are conducive to the organizational goal. Use and design of MCS are crucial aspects for achieving goal congruence, but they are thought to be contingent to specific external situations. We analyze the basic concepts of justice and fairness, and argue that they need to be put in the context of MCS use and design. We label these two facets of justice “formal” and “informal” justice, respectively, and we show that both formal and informal (in)justice are determinants for MCS to achieve specific levels of goal congruence, independently of the situation. We conclude that there are two stable types of goal congruence, which we label “maximum goal congruence” – where both MCS design and MCS use are just – and “minimum goal congruence” – where MCS design is unjust but MCS use is just – and “pervasive goal congruence” – where MCS design is just and MCS use is unjust. This provides a framework for future empirical research on the subject.

No 952 – March 2012
Rafael Andreu – Josep Riverola – Josep Mª Rosanas – Rafael de Santiago
CAPABILITY BUILDING AND LEARNING: AN EMERGENT BEHAVIOR APPROACH

Abstract: Economics-based models typically overlook management decisions and firms’ capabilities. We develop a model that puts firms at center stage by simulating the aggregate behavior of a population of firms resulting from specific management decisions. The model features a learning process that produces changes in companies’ capabilities. Decisions are made under imperfect information and bounded rationality, and managers may sacrifice short-term performance in exchange for qualitative variables that affect their firm’s future potential. The model provides a structured setting in which these issues – which are often discussed only in an informal way – can be more rigorously analyzed. The simulations produce a variety of hard-to-anticipate emergent behaviors. Economic performance appears to be quite sensitive to managers’ estimates of the true capabilities of their own firms. Also, companies that are willing to accept sacrifices in the short run in order to increase future potential appear to be more stable than the rest.
THE IMPORTANCE OF TECHNOLOGY IN THE CONSOLIDATION OF HOSPITAL MARKETS. THE CASE OF THE UNITED STATES

Abstract: Over the last few years technology has become a key element of competition in the hospital market. At the same time this market in the US has seen intense merger activity. In this study we analyze the role that technology can play in this consolidation wave by focusing on how it can affect a hospital’s selection of a particular target. We analyze the selection of targets in mergers that took place in the US hospital market between 1985 and 2000. Our results show that technology is an important element for competition in the hospital market and, as such, also plays a relevant role in M&A strategies. We find that hospitals are more likely to choose targets that complement their technology base, especially when the acquired technologies are complex and have favourable cost/benefit ratios. As a result, the merged entity tends to become closer to a one-stop-shop hospital.

LA MEJORA DE PROCESOS DE RECURSOS HUMANOS

Abstract: ¿Son rentables para las empresas las políticas de RR.HH. que aplican? ¿Conocemos el efecto que generan? Pocas son las empresas que disponen de herramientas específicas para medirlo y, sin embargo, muestran un interés creciente por conocer sistemas que permitan esta cuantificación. Este estudio aporta interesantes resultados sobre el estado actual del grado en el que las empresas que operan en España poseen y aplican sistemas que las informen de la influencia que sus políticas de RR. HH. tienen sobre sus resultados.

LOS MEDIOS SOCIALES EN ESPAÑA: LA VISION DE LA ALTA DIRECCION

Abstract: El 64% de las empresas encuestadas incluye los medios sociales en sus planes de marketing y/o comunicación, mientras que el 36% restante no los utiliza. Las principales conclusiones del estudio se detallan en tres apartados:

- No usuarios
- Usuarios
- Lo que no cuadra o lo que necesita mayor reflexión

RETAIL IN LATIN AMERICA: TRENDS, CHALLENGES AND OPPORTUNITIES

Abstract: This study summarizes recent trends in retail in Brazil, Mexico, Argentina, Colombia, Chile and Peru. The paper begins by reviewing recent economic indicators and continues by analyzing the specific retail trends. First, we look at trends related to the shopping experience, including store size, store format, location, product mix, private labels, and consumer preferences and some online trends. This is followed by a description and analysis of key consumer trends that may impact the sector in the near future. We then look at the development of alternative strategies in the key
markets and specifically at the issue of financial retail. Finally, we close by identifying opportunities with regards to service, quality, luxury goods, and female consumers.

Studies and Monographs

No 169 – March 2012
Sandalio Gómez – Iciar Lumbreras – Carlos Martí – Enriqueta Rodríguez-Colubi

Abstract: El Observatorio de Voluntariado Corporativo pretende, a través del presente Informe, hacer un análisis cuantitativo del grado de implantación del voluntariado corporativo (VC, en adelante) en España. A su vez se persigue analizar los programas y acciones que se desarrollan.

The informe se estructura en dos partes: en la primera se define y caracteriza el VC, y se miden las empresas que responden al cuestionario, pero NO realizan actividades de voluntariado. Se analizan los motivos por lo que no hacen VC y los facilitadores que les resultarían prácticos para iniciar este tipo de actividades; en la segunda parte, se recogen los datos y el análisis de los aspectos más relevantes a tener en cuenta a la hora de desarrollar el VC.

Other publications

Raphael Amit – Christoph Zott

Abstract: Companies often make substantial efforts to innovate their processes and products to achieve revenue growth and maintain or improve profit margins. Innovations to improve processes and products, however, are often expensive and time-consuming, requiring a considerable upfront investment in everything from research and development to specialized resources, new plant and equipment, and even entire new business units. Yet future returns on these investments are always uncertain. Hesitant to make such big bets, more companies now are turning toward business model innovation as an alternative or complement to product or process innovation.

Adrian A. Done
“Facing up to a changing world”, IESE Insight, No 12, First Quarter 2012, pages 13-20.

Abstract: How much time do you dedicate to thinking about the big issues that are likely to affect your personal and professional life in the next 20 years? If you’re like many busy executives, not much. Yet with a global outlook arguably bleaker today than during the lowest point of the credit crunch, burying your head in the sand is no answer. Surely, it is better to face up to the big global trends looming on the horizon and figure out the best courses of action to take, based on sound evaluation of the underlying facts and in-depth consideration of possible outcomes. In this article, the author identifies 12 global trends that he feels will present considerable hurdles in the coming years. Then, he presents practical tools for plotting the major threats and maximizing the significant opportunities that are likely to have a direct bearing on your – and your company’s – future wellbeing and prosperity.

Joan Fontrodona

Abstract: Se puede decir que la responsabilidad social empresarial (RSE) ha sido y es una moda; pero, en el fondo, es mucho más. EL objetivo de este artículo consiste en mostrar que la RSE es una necesidad para la empresa, aunque una visión superficial de este concepto ha hecho que algunos lo hayan entendido solo como una moda, lo que no ha jugado, precisamente, a su favor.

Beatriz Muñoz-Seca
“A service model for cultural excellence”, IESE Insight, No 12, First Quarter 2012, pages 50-57.

Abstract: Culture, that intrinsic expression of humankind, has somehow grown remote from the general public. Arts and cultural institutions, just like their business counterparts, urgently need to find new audiences, meet changing demands and consider their business models afresh. The whole sector needs to reinvent itself, says the author. But how? Beatriz Muñoz-Seca recommends that arts and cultural institutions focus not so much on their products as on creating richer customer service experiences. To that end, she proposes the Service Activity Sequence – an operational framework for designing a customer experience and bringing several complementary players together to produce an integrated customer experience. Using various examples drawn from the author’s own research on arts and cultural institutions around
the world, this article urges everyone to try new approaches, before today’s radically changing social and economic factors dictate the decline of our shared cultural patrimony.

Jaume Ribera – Cristina Castillo
“Untangling the knots in the new silk route”, IESE Insight, No 12, First Quarter 2012, pages 58-65.

Abstract: While China remains the world’s factory, some companies are starting to realize that the extraordinary margins they once enjoyed are steadily being eroded. Why? The rising costs of raw materials and labour only partially explain why a growing number of companies are opting to bring back part or all of the production that they had previously outsourced to China. More likely, the disjointed and inefficient supply chain between China and Europe is the bigger culprit. A study undertaken by the Port of Barcelona Chair of Logistics at the China Europe International Business School (CEIBS) in Shanghai analyzed the roles and relationships between all the key agents and actors in this strategically important supply chain. This article highlights which aspects could be improved, and the authors recommend ways to enhance efficiency, in order for business people doing trade with China to reap the rewards without the headaches.

Mike Rosenberg
“Using scenarios to plan for tomorrow”, IESE Insight, No 12, First Quarter 2012, pages 36-41.

Abstract: While business planners often resort to forecasting to estimate outcomes at some future point in time, the author believes forecasting has serious limitations and is not a reliable guide for the long-term future. Instead, he recommends scenario planning as a superior way of envisaging the future, in order to help managers see the business environment more clearly and make better strategic choices. Using the considerable experience of Shell in this area, he sets out a simple seven-step scenario planning process, which managers can use in one day or two half-day workshops. Doing this will bring organizational learning, challenge executive assumptions, broaden management perspectives and help everyone to see the business environment in which they operate as a complex, nonlinear system. This article includes an interview with Angela Wilkinson, who spent a decade as a leading member of Shell’s global scenario team. She shares from her own personal experience of using scenario planning, suggesting who and how many should be on the team, and how often scenarios should be revisited. “In today’s world of uncertainty, it’s not enough just to analyze situations,” she says, hinting at a new approach she calls "collaborative futures.”

Guido Stein – Miguel Bolaños

Abstract: Una firma de búsqueda y selección de directivos aporta a la empresa su tiempo, representación, conocimiento sectorial y funcional, y experiencia a la hora de valorar al candidato y su encaje en el puesto. En el campo profesional de la búsqueda de directivos pueden coincidir dos tipos de actores: las consultoras de selección y las compañías de búsqueda de directivos. Un objetivo claro del head-hunter es cerrar el proceso eficaz y eficientemente; es decir, con el candidato más adecuado de entre los disponibles y accesibles dentro del marco temporal que se ha marcado con su cliente. La experiencia enseña que cuanto más clara y abierta es la redacción de la oferta, mayor es la calidad de los candidatos interesados; por tanto, el head-hunter debe asesorar y orientar a la empresa respecto a la redacción de la propia oferta.

Guido Stein
"La propuesta de valor”, Manager Focus, Vol. XVII 03/12, March 2012.

Abstract: Si no quieres cometer errores, no tomes decisiones. La situación a la que se enfrenta hoy todo el planeta, en unas áreas geográficas de un modo más acusado que en otras, demanda personas capaces y con ganas de hacer grandes cosas. Passion & Purpose ofrece un amplio elenco de reflexiones sobre la realidad de que la creación de empresas es un esfuerzo que merece la pena. Tal como advierte Warren Buffet, “para contratar a alguien, has de buscar tres cualidades: integridad, inteligencia y energía. La más importante es la integridad, porque sin ella, las otras dos cualidades se orientarán a aniquilarte”.

Conferences and Seminars

Yih-teen Lee – B. Sebastian Reiche – Dongmei Song
On April 26-28, attended the Annual Meeting of the Society for Industrial and Organizational Psychology (SIOP) in San Diego, where they presented the paper “How do previous international experiences influence future international career aspiration?”

Abstract: Given the mixed effects of international assignments on individual career success, the aim of our study is to understand what influences individuals’
intentions to work internationally, conceptualized as international career aspirations. Drawing on career motivation theory, we develop a model that predicts international career aspirations based on individuals’ previous international experiences, their learning goal orientation and the global identity they have developed. We test our model with a sample of 165 MBA students collected across 3 different points of time. Our study contributes to the global identity and international careers literature by shedding light on how experiences as well as attitudes and cognitions shape future career aspirations.

Marian Moszoro

Abstract: The lack of flexibility in public procurement design and implementation is a political risk adaptation by which public agents limit hazards from opportunistic third parties – political opponents, competitors, interest groups – and externalize the associated adaptation costs to the public at large. Public agents endogenize the likelihood of opportunistic challenge by lowering third parties’ expected gains and increasing litigation costs. We provide a comprehensible theoretical framework with empirically testable predictions: scrutiny increases public contracting efficiency in costly litigation environments, concentrated (politically) contestable markets, and with upwardly biased beliefs about the benefits of challenge.

IESE – Research Seminars

Accounting and Control
April 16
Speaker: Christian Hofmann, Ludwig-Maximilians-Universität München
“Accounting for net performance in managerial compensation contracts”

Abstract: Prior empirical compensation studies typically consider net performance (i.e., measured after deducting compensation), while related principal-agent theory is generally based on gross performance measures (i.e., before compensation). We analyze incentive rates in a principal-agent model based on net (and gross) performance. We analytically demonstrate that using gross performance in compensation regressions yields an unbiased estimate of total effort incentives, irrespective of whether actual compensation is based on net or gross performance. In contrast, using net performance creates a bias in estimating total effort incentives and yields a non-zero benchmark in testing for the strong-form relative performance evaluation hypothesis. We provide empirical evidence of underestimated total effort incentives when using net performance in compensation regressions, suggesting a possible explanation for surprisingly weak CEO incentives interpreted in prior studies.

April 16
Speaker: Paola Maria Madini, ESADE
“Determinants of company adoption of a top-down/ bottom-up budget process procedure”

Abstract: In this paper we explore the meaning and determinants of companies’ adoption of top-down or bottom-up budget process procedures. Building on the management accounting literature on the advantages of various budgeting procedures, we first identify three characteristics that together summarize companies’ position on a continuum from top-down to bottom-up budgetary procedures. Then, using questionnaire data from a sample of 141 medium to large companies operating in Italy, we analyze the antecedents of these sets of characteristics to explain the likelihood that companies adopt a certain position on the continuum of procedures. We integrated this evidence by conducting a focus group with a sample of the respondents. We find that the complexity of business unit budget responsibility significantly increases the likelihood of adopting any budget procedure on the continuum, except the extreme top-down one. Business unit strategic diversification significantly increases the likelihood of adopting an extreme bottom-up procedure. Company geographical dispersion and business unit geographical distance appears to significantly reduce the likelihood of adopting any intermediate procedure on the continuum vs. the extreme top-down one.

Business Ethics
April 10
Speaker: Christian Lautermann, University of Oldenburg
“The ambiguities of (social) value creation: Entrepreneurial success between instrumental ends and ends in themselves”

Abstract: Within the debate on “social entrepreneurship” two major concepts are used in order to grasp the most crucial outcomes of establishing new society-oriented enterprises: “social value creation” and “social innovation”. Both concepts implicate fundamentally ethical issues such
as “quality of life” and “the good society”. Yet, these broadly used terms lack conceptualizations that have an explicit ethical substantiation. Instead, the fuzzy use of the attribute “social” indicates desirable outcomes or changes without explaining their ethical dimension. The purpose of this paper, therefore, is to criticize the taken-for-granted use of categories such as the “social vs. business” dichotomy. Building on this critique, I develop a multi-dimensional approach that attempts to conceptualize the creative entrepreneurial process of generating things of value and novelty for individuals and society.

April 18
Speaker: Cristian Loza Adaui, Catholic University of Eichstätt-Ingolstadt
“Entrepreneurial spirit and the role of gratuitousness for innovation”

Abstract: In recent decades entrepreneurship has acquired great importance as a mainstream research topic in economic and managerial sciences. However, only limited attention has been paid so far to spiritual and ethical aspects of entrepreneurial activity. Benedict XVI’s recent social encyclical letter Caritas in Veritate offers some innovative perspectives on that topic from a Catholic Social Thought point of view. It criticizes a superficial economic perspective on entrepreneurship and highlights aspects of gratuitousness of entrepreneurial activity – not only in a non-profit but also in a for-profit context. This paper develops this train of thought and condenses it into the concept of “entrepreneurial spirit”. This is done in an historical as well as contemporary perspective.

We analyze three historical examples for that endeavour inspired by the Christian tradition that introduced managerial, economic and institutional innovations: 1) looking at pre-modern times, we focus on St. Benedict of Norcia and St. Francis of Assisi; 2) turning to the age of industrialization, we present the German textile entrepreneur Franz Brandts; and finally, 3) in the current period of globalization, we analyze the experiences of some modern social entrepreneurs. We show that, in these cases, gratuitousness is an important driver of entrepreneurial spirit.

The proposals of Caritas in Veritate open up research perspectives on entrepreneurship that overcome any reduction to purely technical considerations and point towards a more detailed and, at the same time, more integrated understanding of entrepreneurial spirit.

Entrepreneurship
March 2
Speaker: Xavier Martin, Tilburg University
“Sources of acquisition capabilities and performance”

Abstract: Integrating transfer theory with organization-theoretic and knowledge-based literatures, we study how capability development unfolds in the context of acquisitions. Focusing on the acquirer’s internal organizational architecture, we theorize that distinct, sub-organizational pockets of experience emerge within individual business units (BUs) as well as in corporate headquarters. Subsequently, we argue that capability development operates, in part, through interplay among these pockets of experience – both within and across firms – and that its efficacy depends on the context specificity involved. We test our theoretical framework using panel data on all acquisitions undertaken by 298 BUs of 52 U.S. software firms from 1998 through 2009.

Finance
April 12
Speaker: Mireia Gine, The Wharton School
“Say pays: The effect of say-on-pay on firm performance”

Abstract: This paper estimates the effect of Say-on-Pay (SoP) provisions on shareholder value, firm performance and executive compensation in S&P1500 firms. We apply a regression discontinuity design to shareholder votes on SoP proposals in annual meetings, which allows us to deal with prior expectations and the endogeneity of internal governance rules. Passing a SoP provision generates 2.7% abnormal returns on the day of the vote, reflecting an implicit 7% increase in market value from exogenously adopting SoP. We also find large improvements in firm performance (earnings per share, Tobin’s Q, sales per worker) resulting from SoP, commensurate with the increase in market value. In contrast, we find very limited effects of SoP on the level and structure of pay. Our results suggest that SoP operates as a form of regular confidence vote, giving shareholders “voice” and increasing efficiency and market value.

April 23
Speaker: Christopher Polk, London School of Economics
“An intertemporal CAPM with stochastic volatility”

Abstract: This paper extends the approximate closed-form intertemporal capital asset pricing model of Campbell (1993) to allow for stochastic volatility. The return on the aggregate stock market is modelled as one element of a vector autoregressive (VAR) system, and the volatility of all
shocks to the VAR is another element of the system. The paper presents evidence that growth stocks underperform value stocks because they hedge two types of deterioration in investment opportunities: declining expected stock returns, and increasing volatility. Volatility hedging is also relevant for pricing risk-sorted portfolios and non-equity assets such as equity index options and corporate bonds.

**Information Systems**

March 1
Speaker: Dax Jacobson, Bentley University
“What is good governance? An exploratory study of alternative conceptualizations and implications for the success of IT-intensive interorganizational relationships

**Abstract:** Increasingly, interorganizational relationships are facilitated and strengthened by IT-enabled information sharing. Often, the connected organizations develop, operate and manage the IT that supports their interaction. In IT-intensive interorganizational relationships, three key challenges – concerning 1) relationships among the organizations, 2) technology, and 3) data – require effective governance, that is, the use of structure and mechanisms to encourage collective action among organizations as well as to acquire, manage and utilize technology and data as interorganizational resources. It is generally assumed that effective governance leads to success, but relatively little empirical research has looked directly at the characteristics of good governance. We considered three alternative conceptualizations of effective governance: 1) governance that is perceived to be effective, 2) governance of a certain type (specifically, having a formalized governance body), and 3) governance that fits key contingencies (concerning relationships, technology, data, or all three), and we explored their relationship with success in IT-intensive interorganizational relationships by analyzing responses to a survey conducted in the public safety sector. Our exploratory findings support the proposition that both formalized governance and governance that fits key technology contingencies (concerning relationships, technology, data, or all three) are measures of “good” governance in the context of IT-intensive interorganizational relationships.

**Managing People in Organizations**

March 27
Speakers: John C. Dencker, University of Illinois at Urbana-Champaign
“Millionaires out of necessity? The effects of opportunity structure and founder knowledge on new firm performance

**Abstract:** Demand-side accounts of entrepreneurship have generated a wealth of evidence on how the social context influences the new firm creation process. Yet, little is known about how and why the opportunity itself influences outcomes in this arena. We seek to fill this critical gap by developing a framework to explore how the risk inherent in opportunities not only influences the performance of start-up firms but also facilitates and constrains the ability of founders to utilize their knowledge effectively. Analyzing a sample of start-ups created by formerly unemployed individuals, we find that the risk of the opportunity has strong positive effects on firm performance, independent of the founder. However, as the risk (and hence potential return) of the opportunity increases, founders with general business knowledge can effectively exploit the opportunities they face, whereas those with specific knowledge are unable to do so. These patterns can be traced back to the relevance of specific and general knowledge in the choice of opportunities, as founders with specific knowledge are constrained by the industry paths they chose prior to becoming self-employed, while founders with general knowledge have a greater range of opportunities to exploit. Implications for organizational theory and entrepreneurship are discussed.

April 17
Speaker: Kevin G. Corley, Arizona State University
“Examining top managers’ evolving legitimacy as agents of radical change

**Abstract:** While it makes sense that change agents need to be seen as legitimate in the eyes of their followers, there is little theory on how change agents gain that legitimacy or how it might fluctuate during the course of the change effort. Based on a three-year inductive study of top-down radical change in a large organization, I will present a longitudinal model of change agent legitimacy. Our data analysis reveals that as the change effort unfolded, the bases of top managers’ legitimacy shifted from exogenous culturally given templates to endogenous processual and normative ideals, ending with consequential expectations. These shifting bases of top manager legitimacy, largely reflected in middle manager perceptions, emotions, and behaviors, directly impacted top management’s sustained ability to lead radical change. Our emergent model illuminates the multiplex and temporally dependent foundations of change agent legitimacy, thus contributing to important organizational change phenomena such as middle manager sensemaking and change resistance.
Production, Technology and Operations Management

March 8
Speakers: Mirko Kremer, The Pennsylvania State University
“The sum and its parts: A behavioral investigation of top-down and bottom-up forecasting processes”

Abstract: Our study investigates organizational sales forecasting processes through a behavioral lens. Many important operations planning tasks require sales forecasts at multiple levels of aggregation, e.g., item-level forecasts for local inventory planning, or product-family-level forecasts for aggregate production planning. This leaves a firm with an organizational choice regarding its sales forecasting process. For example, family-level forecasts can be made directly based on family-level sales data, or instead in a bottom-up fashion, where item-level forecasts are simply summed up to create aggregate forecasts. Similarly, item-level forecasts could be based directly on item-level sales data, or instead in a top-down fashion, where a forecast is generated based on aggregate-level data and then apportioned to create lower-level forecasts. In a controlled laboratory environment we identify three judgment biases that affect forecasting performance: a propensity for “trembling hand” random errors, a tendency to systematically over- or underreact to demand signals, and a persistent inability to detect and exploit the information contained in cross-item correlation structures. Our results show how these human judgment biases (dis)aggregate as the forecasting process “moves” between levels of aggregation, and how the resulting performance of the investigated forecasting processes depends on key structural properties of the demand environment. Our findings lend guidance to identifying the types of demand environments in which an organization should favor one forecasting process over the other.

Strategic Management

March 5
Speakers: Pankaj Ghemawat and Steve Altman, IESE
“DHL connectedness index”

Abstract: DHL has released the first DHL Global Connectedness Index (GCI), a detailed country-by-country analysis of the flows that connect the world. The study indicates that globalization is still not as advanced as most people believe and that continued economic integration could spur global gross domestic product gains of five percent or more. GCI ranks 125 countries according to the depth and breadth of their integration into the world economy and also examines the relationship between global connectedness and welfare. The study documents that global connectedness has enormous room to expand, even among the most “connected” countries.

March 29
Speaker: Michael A. Hitt, Texas A&M University
“Institutions and international strategy: Effects of institutional polycentricity on firm strategies and outcomes”

Abstract: Most prior research on institutions has focused on the effects of specific institutions (e.g., political risk, intellectual property protection). Yet, institutions (formal and informal) are often interdependent and executives must consider the integrated effects of institutions on the strategies they employ. Complex relationships exist between formal and informal institutions and among major formal institutions as well. In fact, recent Nobel Prize-winning research suggests that institutions are polycentric, with multiple centers of power. That is, they are multiplex (multiple institutions with integrated effects) and multilevel (e.g., national, state/provincial and municipal). I will discuss three studies that address these issues: 1) the interrelationship of informal and multiple formal institutions and their effects on FDI (50 country study); 2) the effects of multiplex national formal institutions on entrepreneurs’ use of their social networks and the performance of their new ventures (634 entrepreneurs across four countries); 3) the multiplex and multilevel effects of institutions on firms’ resource orchestration actions (synchronization of their resource management processes and strategies to leverage their capabilities) and firm performance (805 firms across 17 countries).

April 11
Speaker: Marta Elvira, IESE
“Microfoundations of institutional adaptation: A nested model of organizational responses to environmental demands”

Abstract: This paper builds on Archer’s individual-level analysis of agency-structure interaction as a heuristic to identify and interrelate the organizational-level factors involved in organizational responses to conflicting institutional demands. We propose that the constructs of sense making, organizational concerns, emotional climate, organizational identity and organizational self, play roles analogous, at the organizational level, to those that “internal conversation”, hierarchy of concerns, emotion, personal identity and self play at the individual level. We then extend this conceptualization, aiming to shed light on the debate about why similar organizations may exhibit very different behaviors in response to changing environmental conditions.
April 26
Speaker: Frederic Godart, INSEAD
“The impact of outward personnel mobility networks on organizational creativity”

Abstract: The loss of key personnel to competition can disrupt firms’ operations. However, firms can also benefit from such a loss. This is because informal social relationships between the firms’ current and departed personnel enable information flows, attention focusing, and influence-enhancing channels that connect firms to their environment and facilitate their ability to produce creative output. A firm’s centrality in the network of outward personnel mobility resulting from personnel departures has an inverted curvilinear relationship with the firm’s creative performance. This relationship is moderated by the firm’s centrality in a network of inward personnel mobility, the firm’s status, and the accomplishments of its creative directors. Analyses of a unique dataset on the career mobility of designers across fashion houses and the creative performance of these houses between 2000 and 2010 support our predictions.

Research Seminars

Bruno Cassiman
On April 20, at Stern School of Business of New York University, presented the paper “Innovation and markups”, co-authored with Stijn Vanormelingen.

Abstract: While innovation is argued to create value, private incentives of firms to innovate are driven by what part of the value created firms can appropriate. Firm-level studies have focused on the effects of appropriation of innovation returns – typically focused on industry-level characteristics – on the market value of the firm. In this paper we explore the more micro-level relationship between innovation and appropriation through the markups a firm is able to extract after innovating. There is little quantitative evidence on how innovation activities relate to price-cost margins. Theoretically, one would expect product innovation to increase margins by creating a specific demand for the firm’s product. Process innovation can also impact price-cost margins, depending on the demand system and competitive environment in which the firm operates. Using a rich Spanish dataset, we estimate firm-specific price-cost margins and find that both product and process innovations are positively related to these markups, while controlling for other firm and market characteristics.

Fabrizio Ferraro
On March 7, at Imperial College in London, presented the paper “The voice of the market: Conformity and deviance among securities analysts”.

Abstract: Sociological approaches to the market posit that market actors solve evaluative uncertainty by following the opinions of others. These approaches assume that the “voice of the market”, formed by these opinions, always provides clear, unambiguous guidance to focal actors. This paper starts from the premise that the voice of the market is not always univocal, and asks how the distribution of opinions on an issue affects the propensity to conform or deviate. We represent the voice of the market as the full topology of opinions focal actors observe, and represent it with two dimensions: loudness (the number of opinions expressed) and accord (the degree of agreement across the opinions expressed). We hypothesize that up to a certain level of loudness, accord increases actors’ propensity to conform. But as conformity plants the seeds of deviance we expect that beyond a certain threshold of loudness, accord increases actors’ propensity to deviate. We test our theory with a dataset of all US securities analysts from November 1995–September 2006.

Marian Moszoro

Abstract: Given the standard 10-year cycle of private equity (PE) funds, 2 percent year-on-year management fee on committed funds, and 20 percent carry fee charged by funds’ managers or general partners (GPs), a 3 times cash-on-cash return at disinvestment in 5 years is required to achieve median 15 percent return (IRR) for funds’ shareholders or limited partners (LPs). The implied 25 percent discount rate at which portfolio companies’ cash flows are valued is justified as exposure to non-diversifiable risk of failure. E.g., a 9 percent discount rate of a comparable company with a probability of failure of 1 in 8 yields a compound rate of 25 percent. Implications in turmoil times: (1) the 2/20 fee structure subject to cut down and evolution to dynamic schemes (e.g., on deployed funds); (2) EBITDA growth as the main source of PE return due to steady multiples and avoidance of over-leverage; (3) reduction of returns’ volatility by screening markets and sectors, and avoidance of carry trade risk. Conjectures: (a) sovereign funds weight increases with LPs, (b) market and sector specialization across funds, and (c) PE pitch switch from financial to managerial value added.
On March 22, at Universitat Autònoma de Barcelona, presented the paper “Opportunism in public-private project financing”.

Abstract: Opportunism, either governmental or “private”, may become a powerful deterrent against public-private project financing, especially considering the scale of the investment in infrastructure. The parties can, however, secure themselves against the counter-party’s possible opportunism by assigning the investor an exit (put) option and the public agent a bail-out (call) option on the private investor’s shares. This paper presents a mechanism for converting natural monopolies into contestable markets using over-the-counter option contracts that combine the stability of long-term contracts and the flexibility of short-term contracts. The exit/bail-out option mechanism reduces entry barriers by streamlining incomplete long-term contracts and avoiding contractual problems related to bounded rationality and opportunism. Incorporating exit/bail-out options to public-private contracts subject to hold-up increases the set of payoffs for each discount factor, comparing not only to one-shot games but also repeated games without options by means of strong punishments for deviation, and – most importantly – facilitates cooperation. The mechanism can be generalized and applied to settings with partially aligned goals, credible threats, and informational asymmetries.

Miscellaneous

Antonio Argandoña
On March 1, attended the presentation of the book “Emprender con responsabilidad”, by Ángel Pes and Norbert Bilbeny, at the Colegio de Censores Jurados de Cuentas de Cataluña, where he gave the lecture “Actualitat de la responsabilitat social de l’empresa”.

On March 8-9, attended the 1st International Workshop on The Role of Business in Society and the Pursuit of the Common Good, organized by ESSEC Business School in Cergy-Pontoise, where he gave the opening lecture on “The common good, stakeholder theory and the theory of the firm”.

On April 11, attended the presentation of the Chair of Management by Missions, at Universitat Internacional de Catalunya in Barcelona, where he gave the lecture “Misión y valores en el gobierno de la empresa”.

Teaching Materials

Business Ethics

Raunchy e-mails, Too much Drinking and Dirty Dancing
(BE-175-E - 0.312.014)

“Raunchy E-mails, Too Much Drinking and Dirty Dancing” presents three sexual harassment-related cases which took place in a leading consulting firm, a retail company and a private bank, respectively. In the first case, a group of male consultants prepared an e-mail featuring the name, photo and department affiliation of about 12 female colleagues and asking other people to evaluate the attractiveness of each photo in order to obtain a “top ten” ranking. However, the mail spread outside of the firm, reaching thousands of people. The consulting firm was under fire and declared that it would launch a formal investigation. In the second case, Michele, a 43-year-old female senior manager at a French retail firm, invites Jonathan, the CFO’s good-looking 38-year-old assistant, for a drink. It is a casual invitation, since she had never noticed him before that night. After some drinks, Michele invites Jonathan to her apartment. The day after, Jonathan complains about the situation to the HR manager. “Mr. Fay, please don’t misunderstand me. I cannot say that I did something against my will. But, in some way, I know that I felt some underlying obligation simply because I was with a really important person in our company. It’s difficult to say no – even to a nice person such as Ms. Michelle Maigny – when you are 10 levels below her position in the company. I think that employees like me should be protected from this type of situations. I do not ask anything for me, but I ask you to change our firm’s policies.” In the third case, Deborah, a manager at the M&A office of a top private bank, contacts the company’s CLO to complain about some of her team’s habits. There are 19 men and two women on the team, and the celebrations for successful projects are organized in men’s clubs. Deborah has significant problems with this tradition because she is excluded and also because her colleagues’ behavior changes after those nights: “I can feel that there is an unhealthy distance between them and me and Emma[…].”

Vaccaro, A.; 3 pages.

What Should I Do if I End-up Working in a Corrupted Network?
(BEN-130-E - 0.312.013)

Imagine that one day you receive a phone call from a headhunter. You get a very interesting offer. Nice salary (20% more than your current one), more responsibilities, a
lot of fringe benefits. It really seems to be the opportunity you were looking for, so you accept the offer without hesitation. For the first few months you are happy with the new job. People are nice and the work is not as stressful as you expected. After a time, however, you start having doubts. Initially, it is something you can't put your finger on, just a few hints telling you that something could be amiss. After another couple of weeks you have to admit to yourself that there are too many things that seem rather odd. You start cautiously asking your colleagues some low-key questions. You approach the sales managers first, then the logistics guys. People answer politely, but they are really vague. What can you do? This technical note will provide some indications about the strategies a manager should adopt whenever he/she suspects being part of a corrupt network.

Vaccaro, A.; 4 pages.

Entrepreneurship

Beltren
(E-143-E - 0.611.040)

Jean-Mar Chardon, of Sofina Ventures, was at his computer, looking at alternative ways to structure a financing round by his venture capital firm in Beltren, the developer of an innovative medical instrument used in spinal surgery.

Johnson, R.; 1 page.

Carlos Matos: The Search for a Company to Buy
(E-145-E - 0.612.008)

The case describes a recent MBA graduate’s search for a business to buy and run. The case focuses on the search process and the negotiations on a specific deal.


Starlab: Transforming Ideas into Business
(EFC-19-E - 0.611.035)

It was early morning in the glazed loft of the modernist building in Barcelona, Spain, head office of Starlab. Ana Maiques, the company’s head of business development, was sitting in her office wondering about the company’s future. The company worked on space technology and neuroscience, with a team of 30 scientists and engineers of nine different nationalities. Founded on July 4, 2000, Starlab’s first 10 years had been reasonably successful. The company had grown at a CAGR (compound annual growth rate) of 33%. However, deploying its original strategy had taken longer than expected. In 2010, 10 years after it was founded, they were confident they had completed Phase 1 of the company’s strategy: transforming science to technology in certain key areas. Phase 1 represented the success of the Scientific Consulting model. They were now poised to enter Phase 2: transforming technology into business in the form of products and services. This was, by most accounts, a more challenging phase.

(Also available in Spanish.)

Prats, Mª J.; Rosés, M.; 7 pages.

Beltren - Teaching Note
(ET-21-E - 5.612.012)

Case E-143-E.

Use is restricted to Academic Institutions.

Johnson, R.; 6 pages.

The First 10 Questions for Would-be Searchers
(EN-15-E - 0.612.004)

This note answers ten of the most common questions asked by people who are relatively new to the search fund model, or have never heard of a search fund before. The content of this note is based on the experience of search funds from around the world, and will help prospective entrepreneurs become familiar with the search fund model and the important questions that should be answered before considering the model more seriously. At the end of each question, the reader is provided with additional resources to deepen his/her understanding of the issues discussed.

(Also available in Spanish.)

Nieboer, I.; Carenzo, M.; Dávila, A.; 23 pages.

Financial Management

Publicizing Know-How: DGA’s Initial Public Offering
(F-853-E - 0.211.004)

The case presents the initial public offering of DGA, a relatively small consulting firm but, at the same time, the first in Central & Eastern Europe and one of only a few in the world to go public. The reader stands over the decision-maker’s dilemma, whether entering the stock exchange is a
proper way to develop a company that is heavily dependent on specific human assets, in the form of the know-how of key managers, and which revenues are subject to long selling cycles relative to the duration of the projects. An interesting thing is that Poland is a country big enough to have a large stock exchange (#1 in number of IPOs and #2 in IPO market capitalization in 2009 in Europe), but at the same time a country with shallow VC markets. Therefore, IPOs are used for financing early growth stages (Hungary and the Czech Republic present similar patterns).

Moszoro, M.; 12 pages.

**Information Systems**

**SlicethePie: Is a Revolution on its Way?**
(SI-179-E - 0.111.024)

Slicethepie is a company that aims at transforming the music publishing business into a stock exchange for unsigned acts. By allowing unsigned acts to raise money from fans to record an album, Slicethepie helps bands to essentially raise public money from investors within the Slicethepie exchange market. As the company’s slogan stated: “Help yourself to a piece of the music industry”. Despite early success, in 2010 the company is not seeing the growth that it would like to see, and its CEO and founder, David Courtier-Dutton, has to decide whether to make changes to its current business model.


**Managing People in Organizations**

**Reiner Meinhold in Kölner Bank (C)**
(DPO-229-E - 0.411.026)

On Reiner’s return from Hong Kong, the human resources department at Handelsbank call him to a meeting, where they make him an offer. The terms are nowhere near as good as Max has led him to believe, but Reiner feels powerless to negotiate. The decision about a replacement is delayed, as HR at Kölner Bank say that the candidate also needs to be seen by the CEO and the chairman, neither of which wanted to interview Reiner when he was hired. Max’s reaction is impatient: “Either you start next week, Reiner, or I’ll have to look for someone else. I’m sorry, but you know how important results are at Handelsbank. I can’t hold on any longer without you here full-time.” Back home in Lindenthal, Reiner is wondering how to escape the pressure bearing down on him. He needs time to put his thoughts in order.

(Also available in Spanish.)

Stein, G.; 3 pages.

**American Valley Insurances Inc.**
(DPO-230 - 0.411.027)

Aquella no iba a ser una entrevista fácil para Louis Stevenson, un prometedor empleado de la división de tecnología de American Valley. Louis trabajaba como analista sénior en proyectos de la plataforma de contratación, bajo las órdenes de un gerente de proyectos. Sin embargo, esa mañana se vería con Sandra Paulson, la business partner de recursos humanos de su área, a quien ya le había adelantado por teléfono su próxima salida de la empresa. La oferta que aceptaba en otra compañía era realmente atractiva, pero American Valley no era una empresa acostumbrada a que la gente se fuese voluntariamente. Además, Louis acababa de obtener el primer puesto en un ranking de talento llevado a cabo recientemente por su compañía.

Rábago, E.; Stein, G.; 17 pages.

**Innovación en la contratación pública en el sector salud (A)**
(DPO-238 - 0.411.037)

El caso presenta la innovación en la contratación pública en el sector salud a través de la licitación electrónica en el departamento de Compras de un gran hospital, en un entorno de crisis económica que conlleva la reducción del presupuesto de gastos un 4% y, a la vez, una mejora de los servicios del centro, con objeto de reducir las listas de espera.
Se explica el plan para implantar los cambios necesarios y un sistema para calcular la eficiencia que introduce el nuevo sistema de licitación. Se trata de aclarar el concepto de licitación electrónica; ver sus ventajas y dificultades, los tipos de tecnologías aplicables y el proceso de cambio técnico, organizativo y social que supone su utilización. Además, se enmarca dentro de un proceso de modernización y mejora de la eficiencia de la gestión pública, necesario en todo momento e imprescindible en estos años de crisis.

Valadares, L.; Pin, J. R.; 7 pages.

**Innovación en la contratación pública en el sector salud (B)**
(DPO-239 - 0.411.038)

EL caso A presenta la discusión dentro del Instituto Portugués de Oncología (IPO) cuando se plantea la exigencia de reducción de un 4% del presupuesto de gastos y, a la vez, una mejora de los servicios del centro, con objeto de reducir las listas de espera. El presupuesto del hospital asciende a 118 millones de euros, de los cuales 39 son compras externas. A la vista de ello, el director de Compras explica que, según la Unión Europea, la utilización del e-tendering (licitación electrónica) supone unos ahorros del 20%. El caso B expone un resumen del informe sobre e-tendering: el concepto, el modelo a utilizar; la propuesta de usar la técnica de Cloud Computing (en un anexo se presenta la web de la empresa VORTAL, líder en Portugal de esta tecnología); y el modelo de implantación y cambio. A la vista de ello se decide aprobar la utilización de la licitación electrónica para que funcione a lo largo del ejercicio 2010.

Valadares, L.; Pin, J. R.; 5 pages.

**Innovación en la contratación pública en el sector salud (C)**
(DPO-240 - 0.411.039)

El caso C describe las diferentes etapas de implantación del cambio que se siguieron, una vez aprobado el proyecto de licitación electrónica. También se resume en varios anexos las mejoras logradas después de un año de implantación con resultados espectaculares.

Valadares, L.; Pin, J.R.; 4 pages.

**Innovación en la contratación pública en el sector salud (A) - Nota del instructor**
(DPOT-49 - 5.411.040)

Cases DPO-238, DPO-239, DPO-240.

*Use is restricted to Academic Institutions.*

Valadares, L., Pin, J. R.; 10 pages.

**American Valley Insurance Inc. - Nota del instructor**
(DPOT-51 - 5.412.003)

Case DPO-230.

*Use is restricted to Academic Institutions.*

Stein, G.; Pin, J. R.; 5 pages.

**Cosmopolitan Business People (CBP)**
(DPON-75 - 0.408.021)

En el mundo hay innumerables razas, culturas, naciones y costumbres. La globalización, no obstante, está originando una creciente homogeneidad, en casi todos los ámbitos de la vida, a la vez que permite la convivencia con la heterogeneidad dentro de las sociedades desarrolladas. Todo el mundo viste jeans y bebe Coca-Cola, mientras en las grandes ciudades occidentales pueden encontrarse barrios musulmanes con restaurantes de cuscús y kebab. Asimismo, la globalización está alumbrando a un colectivo social transversal, localizado en casi todos los rincones del mundo, con unas características comunes compatibles, independientemente de su origen cultural, racial o geográfico. Lo he bautizado en su nombre inglés como "Cosmopolitan Business People" (CBP); en castellano, personas cosmopolitas de empresa (PCE).

Pin, J. R.; Stein, G.; 4 pages.

**La negociación colectiva: claves prácticas**
(DPON-100 - 0.411.042)

Esta nota técnica ofrece una descripción sintética de la negociación colectiva y diversas claves prácticas para llevarla a cabo. La negociación colectiva es una herramienta de gestión de primer orden con impacto en la estrategia y en el día a día de la empresa. En el ordenamiento jurídico español, la negociación colectiva tiene un contenido legal esencial y, de hecho, consiste en el único mecanismo legal existente por el que se alcanzan convenios -cualquiera que sea su ámbito- y acuerdos sobre materias concretas no reguladas en dichos convenios. El diccionario de la Real
Academia Española de la lengua define la negociación colectiva como la "que llevan a cabo los sindicatos de trabajadores y los empresarios para la determinación de las condiciones de trabajo y que, normalmente, desemboca en un convenio colectivo". Entre otras cosas, los convenios regulan las condiciones de trabajo, de productividad e, incluso, de paz social que se pacten entre los representantes de los trabajadores y los empresarios.


Marketing

Sita Murt/
(M-1261-E - 0.511.038)

The case describes the transformation that Sita Murt/ and fourth generation owners have implemented in the family business, allowing the company to transition from a business based on a product to one based on a designer, and then to a prestige brand. To accomplish this they first outsourced manufacturing, then took it abroad, turning sita murt/ into a company focused on design and marketing expertise, forming a network of stores in retail store format, outlets and leased space in department stores, and restructuring its multi-brand network. However, despite its success, it faces a new cycle marked by over-dependence on the domestic market, low brand recognition in strategic future markets and the risk of falling into a mass-market framework.

(Also available in Spanish.)

Nueno, J. L.; Rodríguez, S.; 27 pages.

Laboratorios Alce Brasil: rotación en el equipo de ventas
(M-1264 - 0.512.001)

Laboratorios Alce, líder del mercado brasileño de medicinas oftalmológicas, se enfrenta a una desproporcionada rotación en su red de vendedores con graves consecuencias para el negocio. El director nacional de ventas reflexiona sobre las causas de dicha rotación y sus posibles soluciones. Al mismo tiempo, se plantea posibles cambios en la organización comercial y en el dimensionamiento de su red de 70 vendedores.

Segarra, J. A.; Carrillo, J.; 23 pages.

Production, Technology and Operations Management

Reinventar la calidad
(PN-482 - 0.612.010)

En nuestro vocabulario empresarial, no hay palabra más desprestigiada que “calidad”. Se habla de ella con frecuencia y se le dan múltiples y diversos significados. ¿Por qué? Puede ser que haya sido sacada de contexto, se la haya elevado a cumbres que no le tocaban y a su cobijo se acometan actividades muy dispares. Nosotros proponemos “matar” la palabra. No hablemos de calidad. Hablemos de cumplimiento de especificaciones, de fiabilidad y de ayuda en el proceso de solución de problemas. Vayamos al origen, rescatemos lo bueno y deshagámonos de los fuegos artificiales. Reinventémosla con otro nombre, recuperemos su indudable aportación en
determinados ámbitos y veamos dónde ha levantado falsas expectativas y dónde se ha quedado corta, muy corta.

Muñoz-Seca, B.; 12 pages.

**Strategic Management**

**Marco Arcelli at ENEL (A)**

(SM-1568-E - 0.311.033)

Marco Arcelli at ENEL (A) follows the acquisition and integration of Slovenské Elektrárne, the dominant power producer in Slovakia, by the Italian company ENEL. The case adopts the perspective of Marco Arcelli, the general manager who took the helm of Slovenské Elektrárne, and can be used to discuss the challenges of successfully managing acquisitions in an international context.

Ferraro, F.; Bassignana, P.; 17 pages.

**Marco Arcelli at ENEL (B)**

(SM-1569-E - 0.311.034)

Marco Arcelli at ENEL (B) follows the acquisition and integration of Slovenské Elektrárne, the dominant power producer in Slovakia, by the Italian company ENEL. This case (B) analyzes the choices Marco Arcelli made in the integration of Slovenské Elektrárne, and provides an update to ENEL’s situation in 2010.

Ferraro, F.; Bassignana, P.; 14 pages.

**Babé y Cia (A): adaptación al entorno de una empresa centenaria - Nota del instructor**

(SMT-81 - 5.311.039)

Case SM-1570.

Use is restricted to Academic Institutions.


**Driving Motors Company - Nota del instructor**

(SMT-82 - 5.311.043)

Case SM-1572.

Use is restricted to Academic Institutions.

Chiner, A.; Tàpies, J.; 4 pages.

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**Occasional Papers**

**OP-199 – April 2012**

**Antonio Argandoña**

¿QUE ES Y QUE NO ES LA RESPONSABILIDAD SOCIAL?

**Abstract:** Durante años, los expertos han intentado ponerse de acuerdo en una definición de la responsabilidad social (RS) compartida por todos, sin conseguirlo. En medio de las diversas definiciones, se ha introducido recientemente una, lacónica pero muy comprehensiva, debida a la Comisión Europea: la RS es “la responsabilidad de las empresas por sus impactos sobre la sociedad”. En su sencillez, esta definición muestra los caracteres principales de ese constructo social: su carácter de responsabilidad, a la vez ética y social; su conexión con la actividad diaria de la empresa, no como un añadido externo a la misma; la implicación de todas las personas en la empresa, como una responsabilidad compartida; su diferenciación de una técnica o herramienta de gestión; y, sobre todo, su conexión con la tarea de los buenos directivos.

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**Mario Capizzani – Felipe Javier Ramírez Huerta – Paulo Rocha e Oliveira**

CONSUMER CREDIT IN LATIN AMERICA: TRENDS AND OPPORTUNITIES IN CREDIT AND STORE CARDS

**Abstract:** Emerging consumers commonly rely on their “virtual wallet” at small-scale retailers, who essentially offer a type of informal credit by allowing regular customers to make up these small differences on their next shopping trip. This is a critical service for this consumer group, since having to remove purchases at the time of payment is considered extremely embarrassing. Credit cards, on the other hand, allow for purchases against a preapproved line of credit. The account holder has the choice of whether to pay off the entire balance or opt for monthly installments with the balance serving as revolving credit. Finally, a store card (also known as a retailer or private label card) contains a “pay later” component similar to credit cards. This paper analyzes key trends and prospects with regards to these forms of consumer credit in Latin America’s six largest economies.