



University of Navarra

# Newsletter Research Division

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## Journals

**Jeffrey Reuer - Africa Ariño**

"Contractual renegotiations in strategic alliances", *Journal of Management*, Vol. 28, No. 1, April 2002, pages 47-68.

*Abstract:* This study provides an empirical investigation of the incidence and antecedents of contractual renegotiations in strategic alliances. We bring together initial conditions based on transaction cost theory and ex post contingencies highlighted by recent conceptual and qualitative research on the evolution of collaborative agreements. The results indicate that firms tend to change the governance of alliances when a misalignment exists between the chosen governance structure and features of the transaction. Further, we find that asset specificity affects alliance design as well as post-formation governance decisions. Contractual alterations are also more likely when firms employ less extensive contractual safeguards in their alliances and when a parent firm's strategy changes. We find no evidence that cross-border alliances are any more or less likely to experience contractual renegotiations than domestic alliances.

**Javier Estrada**

"Empirical evidence on the impact of European insider trading regulations", *Studies in Economics and Finance*, Spring 2002, pages 12-34. Coauthored by Ignacio Peña.

*Abstract:* Between 1988 and 1994 ten European countries introduced or modified their regulations on insider trading. We evaluate in

this article the impact of such regulatory changes on the risk, return, and some other characteristics of these ten markets. After extensive testing, we find that the evidence suggests that these regulations have had little (if any) impact on the market characteristics we examine, and briefly speculate about the reasons that justify our findings.

**Carlos García Pont - Nitin Nohria**

"Local versus global mimetism: The dynamics of alliance formation in the automobile industry", *Strategic Management Journal*, Vol. 23, Issue 4, 2002, pages 307-321.

*Abstract:* The alliance dynamics among the 35 largest firms in the worldwide automobile industry indicate that the likelihood of an alliance between any two firms depends on the local density of alliances among the members of their strategic groups, rather than on the global density of alliances in the industry. These results suggest that firms observe and imitate most closely the strategic behaviour of firms which occupy the same strategic niche rather than the behaviour of firms in their industry defined more broadly.

**Domènec Melé - Manuel Guillén - Patrick Murphy**

"European vs. American approaches to institutionalization of business ethics: The Spanish case", *Business Ethics: A European Review*, April 2002, Vol. 11, No. 2, pages 167-178 (12).

*Abstract:* This paper reports on a study of the status of corporate ethics policies in the largest Spanish corporations. The study, the first of its



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kind in Spain, is in two parts. First, there is an analysis of the types of formal documents the companies use, including those dealing with ethical values or norms. Three groups of companies are distinguished: the first group has no formal documents dealing with ethical values. The reasons given for not having any ethical statement are discussed. A second group has one document mentioning ethical values (generally the vision and/or mission statement). And a third group has two or more documents in place (one generic and the other more detailed, such as a code of conduct). The findings show that the latter group is more proactive than the former in implementing measures for promoting business ethics throughout the organization. The second part of the study is an analysis of the differences between companies headquartered in Spain, Europe and USA with respect to the arguments, the focus and the practices used to formalise business ethics.

## Steven Poelmans (et al.)

**"A 24 nation/territory study of work locus of control, well-being, and individualism: How generalizable are western work findings?"**, *Academy of Management Journal*, No. 45, 2, pages 453-466.

*Abstract:* Managers from 24 nations/territories provided data on work locus of control, job satisfaction, psychological strain, physical strain and individualism/collectivism (I-C). Support was found for the hypothesis that internality in locus of control would be associated with individualism at the ecological or nation/territory level. Little support was found for the hypothesis that I-C would moderate the relation between work locus of control and well-being. Rather, the findings suggest that the relation between work locus of control and well-being generalizes across cultural settings.

## Books

### Pablo Cardona

**"Las claves del talento. La influencia del liderazgo en el desarrollo del capital humano"**, *Empresa Activa*, 122 pages.

*Abstract:* Bajo el esquema de un relato novelístico, el autor presenta distintos contextos empresariales que afectan al tipo de talento que desarrollan las personas en la empresa. El hermano de la novia del protagonista, que es profesor en una escuela de negocios, le ayuda a reflexionar sobre las distintas experiencias laborales que va viviendo, en las que se plantean situaciones que sirven para explicar los distintos contextos que se crean. Esquemáticamente, en la "dirección por tareas" se acaba conformando un modelo de "subordinado" que no tiene iniciativa. Es lo que el autor llama "talento dependiente". En la "dirección por objetivos" se fomenta una actitud más proactiva; en este contexto las personas desarrollan "talento independiente". Finalmente, el protagonista del relato vive una nueva experiencia, esta vez cooperativa, que acaba desarrollando un "talento

interdependiente". Estas tres situaciones, que son analizadas con detalle por el autor, le permiten concluir que dirigir personas no es más (ni menos) que tratar a los individuos como lo que son: hombres y mujeres con libertad y sentido de responsabilidad.

### Pablo Fernández

**"Valuation methods and shareholder value creation"**, *Academic Press*, 2002, 640 pages.

*Abstract:* This is a full-length study of business valuation and value creation. The book explains the nuances of different valuation methods and provides the reader with the tools to analyze and value any business, no matter how complex. The book uses 140 diagrams, 211 tables, and more than 100 examples to help the reader absorb the concepts presented.

"*Valuation methods and shareholder value creation*" contains material from the MBA and executive courses that I teach at IESE Business School. It also includes some material presented in courses and congresses in Spain, US, Austria, Mexico, Argentina, Peru, Colombia, UK, Italy, France and Germany. The chapters have in many cases been modified in response to suggestions from my students since 1988, my work in class, and my work as a consultant specialized in valuation and acquisitions. I would like to thank all my students for their comments on previous manuscripts and for their questions. The book also contains the results of research conducted at the International Center for Financial Research at IESE.

### Alejo J. Sisón - Joan Fontrodona - Iñaki Velaz

**"Tras la euforia. Guía ética para directivos en la nueva economía"**, *Financial Times/Prentice Hall*, 2002, 319 pages, with a prologue by Rafael Termes.

*Abstract:* Es lógico que, tras el pinchazo de la burbuja especulativa, surjan dudas y reflexiones en torno a los modelos de negocio y al planteamiento del nuevo mercado. Por eso resulta pertinente preguntarse qué se esconde tras la euforia inicial del *e-business*, qué se esconde detrás de la nueva economía y qué aprendizaje cabe extraer de esa especie de locura colectiva en la que hemos estado envueltos durante los primeros pasos de la economía *on-line*.

Para que la nueva economía traiga sus frutos, conviene revalidar los valores perennes y las virtudes del "buen empresario", del "buen gobernante" y del "buen ciudadano". Hay que tener un plan de negocio bien elaborado, aunque cueste mucho trabajo. Para sacar de los recursos el máximo rendimiento, hay que ser frugal y evitar el despilfarro. La tecnología no es más que un medio: sirve tanto para el bien como para el mal, según el fin con que cada usuario la emplee. Por lo demás, los medios tecnológicos nunca han solucionado los problemas, que son –esencialmente– humanos: cuando dos personas desconfían, no hay medio de comunicación que sirva ni medida de seguridad que valga.

El libro recorre las distintas áreas funcionales de la empresa (dirección general, comercial, finanzas, operaciones, personal) para hacer una reflexión con calma, tras la euforia, sobre algunos

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comportamientos que tuvieron lugar durante los últimos años de la década de los noventa, en pleno *boom* de la nueva economía, extraer algunas enseñanzas y proponer pautas de conducta que ayuden a la reflexión y a la acción.

## Javier Santomá – Marc Navalón

**"e-Finanzas: Dirección financiera con las nuevas tecnologías", Editorial Gestión 2000.com, 374 pages.**

*Abstract:* El objeto del libro es estudiar el alcance y la profundidad de los cambios que las recientes innovaciones tecnológicas han provocado y provocarán en el mundo de las finanzas.

Los autores son conscientes de la intensidad de los efectos que los cambios tecnológicos están produciendo en las finanzas personales y corporativas, en las entidades financieras, en los sistemas internos de las empresas y en los mercados financieros.

Este libro pretende recoger aquellos aspectos de la función financiera que los autores entienden o han observado que están sujetos a importantes cambios. La aproximación a los cambios se hace desde distintas perspectivas: productos existentes, cambios en el mercado, cambios en los sistemas de información y cambios en los modelos de negocio.

Nuestra ilusión sería que el lector del libro, una vez finalizada su lectura, obtuviera una mejor comprensión de las características que se espera que tenga la actividad financiera en los próximos años. El libro no es prospectivo, pero entendemos que la descripción de las innovaciones financieras recientes puede dar una idea, o una pauta, de lo que puede ser común en dicha actividad financiera futura.

Las ideas centrales del libro son:

- a) La importante evolución que aportan las nuevas tecnologías a las finanzas es la construcción de un nuevo canal de comunicación (Internet) y un nuevo soporte de la información (digitalización).
- b) Que este soporte de la información facilita el acceso a mayores cantidades de información, con mayor rapidez y facilidad de tratamiento.
- c) Que esta mayor cantidad de información que se puede procesar de forma rápida y manejable, facilita la generación de nuevos productos, sistemas y mercados, y que la conjunción de estos nuevos productos, sistemas y mercados genera la necesidad de nuevos perfiles profesionales en las finanzas y cambios en los modelos organizativos y en las estrategias de las entidades financieras.

*AEDE* (Asociación de Editores de Diarios Españoles) has published "Libro Blanco de la Prensa Diaria", a publication coordinated by IESE and Andersen. The first six parts were researched and written by, among others, **Juan M. de Toro**, pages 9-147.

*Abstract:* Este estudio analiza la evolución de los principales parámetros de negocio del sector de la prensa diaria en España: la audiencia, la difusión, el análisis económico-financiero de las distintas cabeceras, la prensa digital, el perfil del lector... y todo ello en comparación con los países del entorno europeo.

Se ha pretendido estudiar algunos de los aspectos que más interesan al mundo de la empresa editorial de prensa diaria española. Temas tales como la realidad de la prensa económica, la prensa especializada, la ética, los aspectos jurídicos que inciden en su actividad, el presente y futuro de la prensa *on-line*, la incidencia de las nuevas tecnologías en la prensa escrita, etc. son temas que preocupan y que parecía necesario analizar. Lógicamente faltan, por razones puramente de espacio, otros campos que será necesario estudiar en el futuro y que permitirán ir dando respuesta a las inquietudes que la empresa editorial tiene en España.

*Edicions 62* has published the book "Catalunya dins la Unió Europea. Política, economia i societat", edited by **Víctor Pou** et al., with prologues by Their Excellencies Jordi Pujol and Josep Piqué, Barcelona, 2002, 500 pages.

*Abstract:* En aquest llibre es presenten més de setanta col.laboracions dedicades a estudiar els diferents aspectes de l'impacte sobre Catalunya de l'adhesió de Espanya a la UE.

El llibre es divideix en nou grans apartats: 1) història i futur; 2) les diferents institucions comunitàries; 3) engranatges institucionals entre Europa i Catalunya; 4) impactes de l'ingrés de Espanya a la UE; 5) Catalunya i els reptes externs de la UE; 6) llengua, educació, cultura i universitats; 7) societat civil i Europa; 8) opinió pública i mitjans de comunicació, i 9) competències autonòmiques i la UE.

Es fa una especial referència al paper precursor jugat per l'IESE en la preparació dels empresaris catalans davant el repte de l'integració a Europa. El llibre destaca la visió de **Antonio Valero y Vicente**, primer director de l'IESE, quan era president de la European Foundation Management Development (EFMD), i als esforços de **Barto Roig** i **Víctor Pou**, que a partir dels primers anys de la dècada dels setanta varen organitzar amb periodicitat visites dels empresaris catalans a Brusel·les, on sempre eren ben rebuts per l'ambaixador Alberto Ullastres, aleshores cap de la missió de Espanya a la UE.

## Contributions to books

### Rafael Andreu and Claudio Ciborra (London School of Economics)

"Knowledge across Boundaries: Managing Knowledge in Distributed Organizations", in the book "The strategic management of intellectual capital and organizational knowledge", edited by Chun Wei Choo, University of Toronto, and Nick Bontis, McMaster University, and published by *Oxford U. Press*, pages 575-586.

*Abstract:* Practical solutions concerning the strategic use of knowledge and its management depend upon the relevant organizational context. Using the model of the "learning ladder", three different contexts are explored: The single firm; a set of allied



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firms; and a large number of interdependent organizations, with reference to the case of open source software. The latter context, typical of the new economy, highlights behaviours and performances that seem to contradict the principles of knowledge management inspired by the resource-based and relational views. Thus, conventional knowledge management frameworks seem to break down precisely when dealing with the case of highly distributed, knowledge intensive businesses.

## Jordi Canals

**"Corporate restructuring, corporate strategy and European integration", in the book "Globalizing Europe", edited by T. L. Brewer, P. A. Brenton and G. Boyd, Cheltenham, Edward Elgar, 2002, pages 125-158.**

*Abstract:* This chapter discusses the impact of global competition and European integration on multi-business firms, and how they are trying to compete in a more integrated world. By analyzing some European companies in different industries, one can argue that many multi-business firms are becoming more international, but their scope may also be increasing. Is this a good direction to take? There is no "one-size-fits-all" type of strategy for these firms, but a clear definition of corporate strategy, of how each business unit creates value within the group, and of the way the corporate center adds value to the group as a whole is indispensable for the long-term survival of these firms.

## Jordi Gual

**"El mercat interior i l'economia catalana", in the book "Catalunya dins la Unió Europea. Política, economia i societat", edited by F. Granell et al., Edicions 62, Barcelona, 2002, pages 212-216.**

*Abstract:* En aquest capítol es repassa l'experiència de l'autor durant la seva estada a Brussel·les com a Conseller Econòmic de la Comissió Europea, a càrrec, entre d'altres assumptes, de l'evaluació de les polítiques econòmiques de mercat interior. L'article també analitza l'impacte de les polítiques de mercat interior de la UE en l'economia de Catalunya.

## Domènec Melé

**"Humanismo y eficiencia en el trabajo en la empresa", in the book "La responsabilidad social del empresario. Aportaciones a la doctrina social de la Iglesia", by various authors, Acción Social Empresarial, Madrid, 2002, pages 251-270.**

*Abstract:* Este capítulo pretende profundizar en el concepto de humanismo en el trabajo y analizar cómo tal concepto está o no considerado en las teorías más influyentes sobre la organización del trabajo. Para llevar a cabo este intento, en la primera parte se trata de explicar por qué el trabajo en la empresa tiene una clara dimensión humanista, discutiendo también si tal dimensión debería ser considerada, fomentada o incluso priorizada. En la segunda parte se revisan, de modo sucinto, las teorías más influyentes en la organización del trabajo, prestando especial

atención al lugar que el humanismo ocupa en sus respectivos enfoques. A modo de conclusión se presenta un apunte para una organización del trabajo humanista y eficiente.

## José R. Pin

**"La ética en los estilos de dirección y estructuras organizativas", in the book "La responsabilidad social del empresario. Aportaciones a la doctrina social de la Iglesia", by various authors, Acción Social Empresarial, Madrid, 2002, pages 487-504.**

*Abstract:* El capítulo empieza con un punto que dice: cuando se está de acuerdo con los principios y se sospecha de las acciones concretas. Es decir, que según el autor no basta con las declaraciones de valores y misiones, sino que la ética en la organización debe plasmarse en acciones concretas, en las formas de dirigir y en los sistemas de dirección de la compañía. Para ello repasa la naturaleza del liderazgo, llegando a la conclusión de que su esencia es la medida en que permite el desarrollo de los liderados. Por ello, no siempre un estilo supuestamente participativo de dirección es liderazgo, puede ser manipulación. Tampoco un estilo autoritario momentáneo, nunca permanente, es siempre antiético.

A continuación repasa los sistemas de retribución, desarrollo de carreras, diseño de los puestos de trabajo y comunicación. En cada uno de ellos da pautas y ejemplos sobre cómo evaluar su nivel ético. Acaba con la afirmación de que la ética debe implantarse desde las operaciones de negocio, no como un añadido, sino de manera sustancial a ellas. Para ello aporta el ejemplo de la empresa Ben & Jerrys, de comercialización de helados, que además de altos estándares éticos consigue una buena rentabilidad aplicando este principio.

**"Ética y eficiencia en la Administración Pública", in the book "Memorias 2001 IBERCOP-México", Vol. I, Editorial Porrúa, México, 2002, pages 83-100.**

*Abstract:* El capítulo se inicia con la siguiente pregunta: ¿Por qué hablar de eficiencia y ética en las Administraciones Públicas? Se responde con razones de coyuntura, derivadas de la existencia de noticias alarmantes, y con razones de estructura, refiriéndose a la corriente cultural de la "posmodernidad" y la necesidad de volver a iluminar la economía y la ciencia de la administración con la ciencia ética y la moral. Expone después la nueva aportación de la economía a través del concepto de los costes de transacción a la necesidad de un comportamiento ético del mercado. Acaba la introducción con las razones personales de un comportamiento ético.

Después se estudian los "procesos de mejora ética de las Administraciones Públicas" con referencia a la selección y formación, y el planteamiento de "Códigos de Comportamiento", dando algunos ejemplos de iniciativas en este sentido en Estados Unidos, España y Costa Rica. Esta parte acaba con una referencia al factor liderazgo y las tres reglas para la mejora ética.

La última parte se dedica a la descripción de las tres pseudoéticas, y las éticas parciales, para evitar que se caiga en ellas. Acaba con

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una consideración final sobre la tipificación de los sectores en función del nivel de corrupción, y la necesidad de realizar acciones en un entorno amplio, sector público, privado y *non profits*, para combatirla.

## Research Papers

**NOTE: Research papers may be consulted on the Internet at <http://www.iese.edu>**

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**Miguel A. Rodríguez - Joan E. Ricart - Pablo Sánchez**  
**SUSTAINABLE DEVELOPMENT AND SUSTAINABILITY OF COMPETITIVE ADVANTAGE: A DYNAMIC AND SUSTAINABLE VIEW OF THE FIRM**

*Abstract:* Does the need for sustainable development hinder businesses' ability to create value? Is firms' competitiveness negatively affected by considering that need? Evidence that many of today's economic development practices are causing negative environmental and social side-effects continues to pile up. Yet to change the belief that markets and prices by themselves can, must and will take care of any negative impact that companies have on society is a tough objective. To prove that it is possible to do well by doing right, and that, in the long term, the only way to do well is by doing right, is a Herculean task. The purpose of this paper is to contribute to this task. Since the core idea of the paper relates to the role of business in society at large, first of all the authors quickly review the literature concerning this issue. Then, drawing on the resource-based view of the firm and sustainable development literature, the paper presents a proposal for a dynamic and sustainable view of the firm, explaining the normative and instrumental character of its foundations. It shows how sustainable development changes the competitive landscape and in so doing influences the way in which companies develop their resources, capabilities and activities, fostering the persistence of competitive advantages based on knowledge and innovation. The authors conclude by highlighting the changes in corporate governance which inherently come with this new view of the firm.

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**Antonio Argandoña**  
**ETHICAL CHALLENGES OF THE NEW ECONOMY: AN AGENDA OF ISSUES**

*Abstract:* The new economy is a technological revolution involving the information and communication technologies which affects almost all aspects of the economy, business, and our personal lives. The problems it raises for businesses are not radically new, least of all from an ethical viewpoint. However, they deserve particular attention, especially now, in the first years of the 21<sup>st</sup> century, when we are feeling the full impact of the changes brought about by this technological revolution. In this article, I try to draw a "map" of the main positive and negative ethical

challenges raised by the new economy, concentrating on its three basic features: 1) a knowledge and information-based technological change, 2) which is taking place in real time on a planetary scale (globalization), and 3) which entails a new, flexible, network-based business organization.

No. 464 - April 2002

**Pablo Sánchez- Miguel A. Rodríguez - Joan E. Ricart**  
**LA INVERSION SOCIALMENTE RESPONSABLE: EVOLUCION, TENDENCIAS E IMPLICACIONES PARA LA DIRECCION DE LAS EMPRESAS**

*Abstract:* En los últimos años, principalmente desde mediados de la década de los noventa, la inversión socialmente responsable (ISR) ha tenido una aceptación creciente en los países desarrollados. Parece oportuno, por tanto, saber en qué consiste esta alternativa de inversión y ver cómo puede influir en el progreso hacia un desarrollo sostenible. Este es el principal propósito del artículo. En primer lugar, se explica y define qué es la ISR. Para ello, observaremos cómo ésta ha variado conceptual y metodológicamente desde sus orígenes hasta la actualidad. A continuación se describe la evolución en Estados Unidos, Canadá, Europa y Japón de los distintos elementos que componen la ISR: los índices y fondos de inversión socialmente responsables. Nos interesará, principalmente, comparar la rentabilidad de los principales índices bursátiles con los índices socialmente responsables, y examinar el crecimiento del patrimonio invertido en los distintos productos financieros de ISR existentes, básicamente fondos de inversión y planes de pensiones. Posteriormente se analizan los principales factores que pueden determinar el crecimiento de este mercado, haciendo especial referencia a España, donde este tipo de inversión permanece todavía en un estado embrionario. En cualquier caso, las consideraciones de este apartado son válidas para cualquier país. Por último, se apuntan las principales implicaciones empresariales de la ISR. Destacamos en este punto la influencia sobre la reputación y los costes de la empresa que puede suponer el crecimiento de la ISR.

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**Marc Sachon - Elisabeth Paté-Cornell**  
**MANAGING TECHNOLOGY DEVELOPMENT FOR SAFETY-CRITICAL SYSTEMS**

*Abstract:* This paper presents a model that determines the optimal budget allocation strategy for the development of new technologies for safety-critical systems over multiple decision periods. The case of the development of a hypersonic passenger airplane is used as an illustration.

The model takes into account both the probability of technology development success as a function of the allocated budget, and the probability of operational performance of the final system. It assumes that the strategy is to consider (and possibly fund) several approaches to the development of each technology to maximize the probability of development success. The model thus



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decomposes the system's development process into multiple technology development modules (one for each technology needed), each involving a number of alternative projects. There is a tradeoff between development speed and operational reliability when the budget must be allocated among alternative technology projects with different probabilities of development success and operational reliability (e.g., an easily and quickly developed technology may have little robustness). The probabilities of development and operational failures are balanced by a risk analysis approach which allows the decision maker to optimize the budget allocation among different projects in the development program at the beginning of each budget period.

The model indicates that by considering reliability in the R&D management process, the decision maker can make better decisions, optimizing the balance between development time, cost, and robustness of safety-critical systems.

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**Johanna Mair**

## **ENTREPRENEURIAL BEHAVIOUR IN A LARGE TRADITIONAL FIRM: EXPLORING KEY DRIVERS**

*Abstract:* Innovative use of resources to pursue opportunities has become vital for all organizations. Even large traditional firms operating in stable and mature markets increasingly stress entrepreneurial initiative as a key element in their strategic long-term orientation.

While traditional management literature has identified contextual features that foster entrepreneurial activity, little research has looked at why –in the same objective organizational context– some managers act entrepreneurially and others do not. I recognize the importance of context in shaping managerial behaviour. However, while differences in the behavioural context might explain variance in entrepreneurial behaviour between companies, they fail to explain variance within the same company. Drawing on literature in entrepreneurship, strategic management, organizational behaviour and social cognitive theory, I present a model on the micro-foundations of entrepreneurial behaviour in large traditional organizations. I propose that entrepreneurial behaviour is largely affected by managers' subjective interpretations of their supportive context and their set of cognitive and emotional characteristics. Furthermore –acknowledging a proactive role of individuals in controlling their own behaviour and cognition– I introduce entrepreneurial self-efficacy beliefs –defined as managers' perceived capability to perform entrepreneurial tasks– as a critical influencer of actual entrepreneurial behaviour.

I empirically test this model and use structural equation modeling (SEM) to analyze data from 150 middle managers of a large European financial service company striving to become "entrepreneurial". Preliminary findings reveal that managers' subjective interpretations of their sociopolitical support and access to resources significantly stimulate entrepreneurial behaviour. Contrary to the predictions of the literature, individual cognitive and emotional characteristics do not affect entrepreneurial behaviour directly, but are critical in shaping managers' perceptions

of their "playground for action". Furthermore, findings suggest that managers' entrepreneurial self-efficacy beliefs are a powerful predictor of entrepreneurial behaviour. They are critical to translate perceptions of context and individual characteristics into behaviour, and represent an important cognitive and motivational device to steer and regulate entrepreneurial behaviour.

Based on an explorative yet rigorous research design, this study broadens our understanding of the main determinants of entrepreneurial behaviour within established organizations and consolidates various streams of literature. Last but not least, it offers valuable insights for managerial practice on how to encourage entrepreneurial behaviour across multiple levels of the organization.

## Other publications

**José Luis Alvarez – Ernesto Pascual**

"Las competencias de liderazgo de los presidentes de Gobierno de España", *Revista de Estudios Políticos* (Centro de Estudios Políticos y Constitucionales), No. 116, April-June 2002, pages 267-279.

*Abstract:* El artículo aplica un modelo de competencias al comportamiento de los presidentes de Gobierno (nacionales y autonómicos) españoles. Un estudio cercano de estas figuras políticas es importante dado el elevado presidencialismo *de facto* de nuestro sistema político.

**José M. Campa**

"La transmisión de los movimientos del tipo de cambio del euro a los costes y precios del área", *Boletín Económico del Banco de España*, June 2002 (coauthored by J. M. González Minguez).

*Abstract:* El objetivo de este artículo consiste en estimar en qué medida los movimientos del tipo de cambio del euro podrían resultar en impactos diferenciales en los precios de los países de la UEM debido a su distinta exposición a las importaciones procedentes de fuera de esa área. Para ello, se han estimado tasas de transmisión de movimientos del tipo de cambio a precios de importación para los países de la UEM a corto y largo plazo, permitiendo que estas tasas variasen en función del tipo de producto importado. El resultado de las estimaciones implica que a corto plazo existe transmisión incompleta de movimientos en el tipo de cambio a precios de importación. Los resultados apuntan a que los distintos grados de apertura de los países son el factor principal que explica las diferencias agregadas observadas.

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## **Cosimo Chiesa – Lluís G. Renart**

"La remuneración y fidelización de equipos de ventas", *Harvard Deusto Marketing y Ventas*, No. 50, May-June 2002, pages 62-72.

*Abstract:* Este artículo resume los resultados de dos investigaciones llevadas a cabo por los autores en 1999 y 2001, mediante encuestas a una amplia muestra de empresas españolas. Se incluyen datos sobre los sistemas de remuneración de los vendedores tradicionales, de los vendedores a cuentas clave, o *key accounts*, de los jefes de zona, y de los representantes de comercio y agentes comerciales. Además de los datos sobre los sistemas de retribución (fijo, variable, comisiones, cobertura de cuota, incentivos individuales frente a incentivos de grupo, etc.), el artículo aporta otro conjunto de datos más generales sobre la organización y dirección de los equipos de venta en España. El trabajo concluye con una indagación sobre las políticas de fidelización de vendedores, de la que se desprende que los factores de fidelización más importantes parecen estar vinculados a la motivación intrínseca en el trabajo, seguidos de los factores relacionados con la motivación trascendente. Los factores de fidelización relacionados con la motivación extrínseca aparecen con un bajo grado de prioridad.

## **Albert Fernández**

"Claves para la implantación del Cuadro de Mando Integral", *Harvard Deusto Finanzas & Contabilidad*, No. 46, March-April 2002, pages 10-17.

*Abstract:* Este artículo introduce brevemente los elementos de un Cuadro de Mando Integral (CMI) y comenta aspectos clave para su implantación. Estos aspectos son de dos tipos: a) relacionados con el contenido, y b) relacionados con el proceso. Entre los relacionados con el contenido, destaca, por un lado, la necesidad de clarificar la estrategia, y por otro, la búsqueda y fiabilidad de los indicadores. En cuanto al proceso de implantación, son clave la comunicación tanto del proceso como del contenido del CMI, su despliegue, la integración con otros sistemas y los aspectos tecnológicos.

"Cómo elaborar y utilizar mapas estratégicos", monograph on "*Balanced scorecard en la práctica*", *Estrategia Financiera*, No. 182, March 2002, pages 12-16, coauthored by Alfonso López Viñegla.

*Abstract:* Los mapas estratégicos son un elemento de gran ayuda para entender mejor la estrategia y comunicarla a la organización. El artículo explica qué son los mapas estratégicos, cuál es su contenido, así como algunas claves en su elaboración y uso. Una de las grandes ventajas de los mapas estratégicos es el aprendizaje que genera su elaboración. En la elaboración de los mapas hay tres decisiones fundamentales: en qué unidades deben elaborarse, quién debe participar en la construcción de los mapas, y quién debe tener acceso a ellos o a parte de la información que contienen.

"Implantación del BSC en la Fundación Santafé de Bogotá", monograph on "*Balanced scorecard en la práctica*", *Estrategia Financiera*, No. 182, March 2002, pages 39-42, coauthored by Ricardo Martínez Rivadeneira.

*Abstract:* Este artículo muestra una aplicación práctica de implantación del *Balanced Scorecard*, o Cuadro de Mando Integral, en el sector sanitario. La Fundación Santafé de Bogotá, que desde su inicio se distinguió por una cultura de calidad y excelencia, decidió implantar el *Balanced Scorecard* en 1999 como ayuda al proceso de planificación e implantación de la estrategia. De su experiencia aprendemos algunas de las ventajas que el *Balanced Scorecard* proporciona, así como las dificultades en el proceso de implantación.

## **Eduardo Martínez Abascal**

"¿Se anticipa la bolsa a la economía?", *e-Deusto*, No. 18, February-March 2002, pages 49-54.

*Abstract:* El artículo pretende estudiar la relación que existe entre la rentabilidad de la bolsa y el crecimiento económico, y si la bolsa se anticipa al crecimiento. Para ello, se han analizado la rentabilidad de los índices bursátiles y el crecimiento real de seis países durante el período comprendido entre marzo de 1987 y junio de 1998.

## **José M<sup>a</sup> Rodríguez**

"Cómo mejorar el funcionamiento de un comité de dirección", *AEDIPE*, No. 20, March 2002, pages 38-47.

*Abstract:* Analiza el dinamismo de un comité de dirección desde la óptica de la psicología social. Desde esta perspectiva, un comité de dirección es un grupo de trabajo, y su actividad es un proceso social. El artículo empieza analizando el contenido de este proceso social, para después identificar los factores que lo condicionan y, finalmente, mostrar las vías para mejorar su funcionamiento. El punto de vista de la psicología social, unido a la experiencia del autor como consultor, se suman para arrojar luz sobre la actividad de un órgano clave de toda organización.

"Factores clave del éxito de los equipos de mejora", *Capital Humano*, No. 155, May 2002, pages 56-61.

*Abstract:* En primer lugar, se describen los pilares sobre los que se asientan los equipos de mejora de los procesos operativos: el liderazgo y el compromiso público de la dirección, la información, la formación, la monitorización, la organización y el reconocimiento. Después se analiza el proceso de implantación y se pone de manifiesto que es un proceso de cambio que ha de superar muchas reticencias y que tiene un carácter interminable. Finalmente, el autor identifica los frutos adicionales de estos equipos: la confianza en las relaciones laterales, la comunicación, el *empowerment*, unas relaciones laborales constructivas, el aprendizaje del trabajo en equipo y el desarrollo de una nueva cultura.



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## **Carlos Sánchez-Runde**

"Tres modelos de estrategia y dirección de recursos humanos", *Harvard Deusto Business Review*, No. 108, May-June 2002, pages 78-89.

*Abstract:* Los últimos veinte años han sido, para los directivos de recursos humanos, tiempos de reivindicación de la importancia de su función. Con apoyo de los teóricos de la materia, los ejecutivos de recursos humanos han tratado de convencer a sus colegas de otras áreas de que las decisiones de calado no pueden tomarse sin el concurso y punto de vista de la dirección de personas. Por eso, se ha concluido que los directivos de recursos humanos deben sentarse en la mesa de la alta dirección en condiciones similares a las del resto de los decisores.

## Conferences and seminars

### **José L. Alvarez**

On June 13-15, attended, in London, the "Career Evolution" conference organized by the European Research Initiative of the Harvard Business School, where he presented the paper "Pairs at the top: from tandems to coupled careers" (coauthored with Silviya Svejnova). He also chaired the panel "How do we (re)define 'career success' today?".

*Abstract:* The authors present a variety of situations in which the top leadership of a business is held by two people and develop a typology along two dimensions. First, origin of the relationship (instrumental or expressive), and second, division of labor (role overlap or complementarity).

### **Manel Baucells**

On May 31, attended the 8<sup>th</sup> *Behavioural Decision Research in Management Conference* organized by the University of Chicago, where he presented the paper "Prospect Theory in the short and in the long run".

*Abstract:* Prospect Theory violates the invariance principle and produces stochastically dominated choices. How severe is this problem? In the "short run" we can fabricate pairs of choices where stochastic dominance is quite severe. Of course, this severity decreases in the "long run", when the decision maker faces random choices. The paper tries to measure the contributions of the three features of Prospect Theory to the severity of the stochastic dominance in both the short run and the long run. For parameters within the experimental range we show that, on average and under certain assumptions, Prospect Theory imposes a decision tax of about 1 to 3% of the stakes. The most "harmful" feature of Prospect Theory is the loss aversion, followed by the asymmetric risk attitude and the non-linear probability evaluation function. This suggests several prescriptive ways to reframe problems so as to minimize the interference of the loss aversion in the decision-making process.

### **José M. Campa**

On March 7, attended, in Madrid, the seminar organized by the Research Department of the Banco de España, where he presented the paper "Exchange rate pass-through in the Euro Area".

*Abstract:* The purpose of this paper is to estimate the extent to which euro exchange rate movements have differential impacts on prices in the countries of the euro area, due to their differing exposure to imports from outside the area. To do this, I estimated the level of exchange rate pass-through for each euro zone country in the short and in the long run, allowing the level to vary depending on the type of product imported. The results of the estimates imply incomplete short-run pass-through of exchange rates into import prices. The evidence suggests that the main explanatory factor for the aggregate differences observed is the differing degrees of openness of the countries.

He presented this same paper again on April 17, at the seminar organized by FEDEA in Madrid.

On June 6, attended, in Oviedo, the *V Congreso de Economía Aplicada*, where he presented the paper "La transmisión de movimientos en tipos de cambio a precios de importación".

*Abstract:* El objetivo de este documento consiste en determinar en qué medida los movimientos del tipo de cambio se transmiten a precios de importación de los distintos países. En general, se observa que existen grandes diferencias en los tipos de cambio reales, y que estas diferencias se deben a desviaciones en la ley de un precio de bienes comerciables. Para ver el origen de estas desviaciones, se han estimado tasas de transmisión de movimientos del tipo de cambio a precios de importación por industria a corto y largo plazo. Los resultados apuntan a que la mayor parte de las variaciones de las tasas de transmisión agregadas se deben a diferencias en la composición industrial de las importaciones de los distintos países.

On June 29, attended, in Puerto Rico, the *Annual Meeting* organized by the Academy of International Business, where he presented the paper "Exporting and capital investment: On the strategic behaviour of exporters".

*Abstract:* By exporting, firms sell in markets whose business cycles are not perfectly correlated and so can be expected to have more stable cash flows. When companies are liquidity constrained, this stability of cash flows can provide exporters with certain advantages over firms that operate solely in the domestic market. For instance, under the existence of liquidity constraints, more stable cash flows should foster more stable capital investments. Moreover, the expectation of more stable future cash flows and the information signal from commencing exporting can lessen the severity of liquidity constraints for exporters compared to non-exporters. We test these arguments by examining a stratified representative sample of the Spanish manufacturing sector from 1990 to 1998. Our results suggest that exporters' cash flows and

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capital investments are more stable than non-exporters'. Moreover, we find that liquidity constraints are less binding for exporters than for non-exporters. The richness of our data allows us to examine alternative explanations for the results we present. We conclude by discussing the strategic implications of our findings for firms.

## **Bruno Cassiman**

On May 9-11, attended, in Stockholm, the *II Annual Conference* organized by EURAM (the European Academy of Management), where he presented the paper "Complementarity in the Innovation Strategy: Internal R&D, External Technology Acquisition and Cooperation in R&D".

On May 30-June 1, attended the *CEPR conference on "Applied Industrial Organization"*, held in Bergen, where he presented the same paper.

*Abstract:* Successful innovation depends on the development and integration of new knowledge in the innovation process. In order to successfully innovate, the firm will combine different innovation activities. In addition to doing own research and development, firms typically are engaged in the acquisition of knowledge on the technology market and cooperate actively in R&D with other firms and research organizations. In this paper we provide evidence on complementarity between different innovation activities. Using data from the Community Innovation Survey on Belgian manufacturing firms, we show that firms that were engaged in only one type of innovation strategy, whether internal R&D activities or sourcing technology externally, introduced fewer new or substantially improved products than firms which combined internal and external sourcing. This result is consistent with complementarity between own R&D and external technology sourcing activities. Furthermore, we show that the different innovation activities are strongly positively correlated and identify common drivers, resulting in the perceived complementarity between these innovation activities. An important finding is that a capacity to strategically protect intellectual property and a more basic R&D base, which may serve as an absorptive capacity, are important common drivers for the different innovation activities.

## **Javier Estrada**

On April 12, gave a seminar in the Department of Economics of Oporto University (Portugal), where he presented the papers "Mean-Semivariance Behaviour: An Alternative Behavioural Model" and "Mean-Semivariance Behaviour (II): The D-CAPM".

*Abstract:* For over 30 years academics and practitioners have been debating the merits of the CAPM. One of the characteristics of this model is that it measures risk by beta, which follows from an equilibrium in which investors display mean-variance behaviour. In that framework, risk is assessed by the variance of returns, a questionable and restrictive measure of risk. The semivariance of returns is a more plausible measure of risk and can be used to generate an alternative behavioural hypothesis, namely, mean-semivariance behaviour. This framework, in turn, generates an

alternative measure of risk for diversified investors, the downside beta, and an alternative pricing model, the D-CAPM, both of which are proposed in this article. The empirical evidence discussed in the papers clearly supports the downside beta and the D-CAPM over beta and the CAPM.

On May 29-31, attended the *Valuation in Emerging Markets Conference* organized by Darden School of Business, University of Virginia, where he presented the paper "Systematic Risk in Emerging Markets: The D-CAPM".

*Abstract:* There is by now a growing literature arguing against the use of the CAPM to estimate required returns on equity in emerging markets. One of the characteristics of this model is that it measures risk by beta, which follows from an equilibrium in which investors display mean-variance behaviour. In that framework, risk is assessed by the variance of returns, a questionable and restrictive measure of risk. The semivariance of returns is a more plausible measure of risk and can be used to generate an alternative behavioural hypothesis (mean-semivariance behaviour), an alternative measure of risk for diversified investors (the downside beta), and an alternative pricing model (the D-CAPM). The empirical evidence for the entire MSCl database of emerging markets clearly supports the downside beta and the D-CAPM over beta and the CAPM.

## **Albert Fernández**

On May 2-3, attended, in Burgos, the *IX Workshop on "Contabilidad y Control de Gestión"*, organized by the Department of Economics and Business Administration of the Universidad de Burgos, where he presented the paper "El mapa estratégico como elemento diferenciador de la representación conceptual de la estrategia. Rasgos importantes en su elaboración y uso".

*Abstract:* Para la correcta implantación de la estrategia, es necesario adecuar la estructura organizativa y los sistemas de dirección. Un elemento que ha ayudado a muchas organizaciones en ese camino es el mapa estratégico, que permite representar de forma concisa y clara la estrategia. El artículo comenta la razón de ser de los mapas estratégicos y las premisas necesarias para su utilidad, dedicando una especial atención a las relaciones causa-efecto entre indicadores y a las posibles líneas de investigación en relación a los mapas estratégicos.

## **Pablo Fernández**

On May 8-12, attended, in Stockholm, the *2002 EURAM Conference* (European Academy of Management), where he presented the following papers:

### **Internet valuations: The case of Terra-Lycos**

*Abstract:* In this paper, we review twelve valuations of Terra performed by Spanish and non-Spanish bank analysts and brokers.



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Of the twelve valuations, only one used cash flow discounting. Another valuation was based on multiples, but also used cash flow discounting to perform a reverse valuation. All others used several multiples. Only one valuation report gave a recommendation to sell.

Terra started trading on the stock market in November 1999. The placement price was 13 euros per share (11.81 for retailers). In February 2000, its price stood at 139.75 euros. Between November 1999 and February 2000, Terra provided a return of 975% for its shareholders. However, by December 2000, the share price had plummeted to 11.6 euros, 8.3% of its February high. The average annual volatility of the Terra share was almost 100%.

If you cannot find a rational explanation why a share should continue to rise, you can be sure that it will fall. To become a millionaire, you must sell your shares at the right time. A website is not necessarily a business. Selling below cost gets you lots of customers, but not much money.

## "A definition of shareholder value creation"

*Abstract:* In this paper, we define and analyze shareholder value creation. To help us understand this concept better, we use the example of a listed company, General Electric, between 1991 and 1999.

To obtain the created shareholder value, we first define the increase in equity market value, the shareholder value added, the shareholder return, and the required return to equity.

A company creates value for its shareholders when the shareholder return exceeds the required return to equity. In other words, a company creates value in one year when it outperforms expectations.

The created shareholder value is quantified as follows:

Created shareholder value = Equity market value x (Shareholder return –  $K_e$ )

The created shareholder value can also be calculated as follows:

Created shareholder value = Shareholder value added – (Equity market value x  $K_e$ )

We also calculate the created shareholder value of 142 American companies during the three-year period 1997-1999 and during the eight-year period 1992-1999.

## "EVA, Economic profit and cash value added do NOT measure shareholder value creation"

*Abstract:* We analyze 582 American companies using EVA, MVA, NOPAT and WACC data provided by Stern Stewart. For each of the 582 companies, we calculated the 10-year correlation between the increase in the MVA (Market Value Added) each year and each year's EVA, NOPAT and WACC. For 296 (of the 582) companies, the correlation between the increase in the MVA each year and the NOPAT was greater than the correlation between the increase in the MVA each year and the EVA. There are 210 companies for which the correlation with the EVA was negative! The average correlation between the increase in the MVA and EVA, NOPAT and WACC was 16%, 21% and –21.4%, respectively. The average

correlation between the increase in the MVA and the increases of EVA, NOPAT and WACC was 18%, 22.5% and –4.1%.

We also find that the correlation between the shareholder return in 1994-1998 and the increase in the CVA (according to the Boston Consulting Group) of the world's 100 most profitable companies was 1.7%.

We also analyzed the relationship between shareholder value creation and various other parameters, including Economic Profit and EVA, during the period 1991-1997. In this case, the sample consisted of the 28 largest Spanish companies. Economic Profit had the highest correlation with shareholder value creation in only 4 companies (EVA in only 2), while in 18 companies the highest correlation was found for the interest rate.

A firm's value and the increase in the firm's value over a certain period are basically determined by the changes in expectations regarding the growth of the firm's cash flows and also by the changes in the firm's risk, which lead to changes in the discount rate. However, accounting only reflects the firm's history. Both the items of the income statement, which explain what has happened during a particular year, and those of the balance sheet, which reflect the state of a firm's assets and liabilities at a certain point in time, are historic data. Consequently, it is impossible for accounting-based measures such as those we consider in this paper (EVA, economic profit, cash value added) to measure value creation.

We finish the paper with an anecdote about EVA: an e-mail written by an analyst at Stern Stewart & Co. in response to an article, written by me, questioning the ability of EVA to measure shareholder value creation.

**On June 28–30, attended, in London, the 2002 EFMA Conference (European Financial Management Association), where he presented the following paper:**

## "Valuing companies by cash flow discounting: Ten methods and nine theories"

*Abstract:* This paper is a summarized compendium of all the methods and theories on company valuation using cash flow discounting. The paper shows the ten most commonly used methods for valuing companies by cash flow discounting:

- 1) Free cash flow discounted at the WACC;
- 2) Equity cash flows discounted at the required return to equity;
- 3) Capital cash flows discounted at the WACC before tax;
- 4) APV (Adjusted Present Value);
- 5) The business's risk-adjusted free cash flows discounted at the required return to assets;
- 6) The business's risk-adjusted equity cash flows discounted at the required return to assets;
- 7) Economic profit discounted at the required return to equity;
- 8) EVA discounted at the WACC;
- 9) The risk-free rate-adjusted free cash flows discounted at the risk-free rate; and
- 10) The risk-free rate-adjusted equity cash flows discounted at the required return to assets.

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All ten methods always give the same value. This result is logical, since all the methods analyze the same reality under the same hypotheses; they only differ in the cash flows taken as the starting point for the valuation.

The disagreements in the various theories on the valuation of the firm arise from the calculation of the value of the tax shields (VTS). The paper shows and analyzes 9 different theories on the calculation of the VTS: No-cost-of-leverage, Modigliani and Miller (1963), Myers (1974), Miller (1977), Miles and Ezzell (1980), Harris and Pringle (1985), Damodaran (1994), With-cost-of-leverage, and Practitioners method.

The paper contains the most important valuation equations according to these theories, and also shows the changes that take place in the valuation equations when the debt's market value does not match its book value.

## Joan Fontrodona

On March 16, attended the *Conference on "European M&As, Corporate Restructuring and Consolidation Issues"* organized by IESE in Barcelona, where he presented the paper "Conflict of interest: Who advises the advisor?", coauthored by Roberto García Castro.

*Abstract:* The paper studies the role that analysts play when they have to act as judge in operations in which they are involved and have to counsel both the sell-side and the buy-side of a transaction, and the conflicts of interest that arise. The paper provides empirical evidence and recent examples which illustrate some of the conflicting situations, analyzes the causes of these situations, and proposes possible solutions. The framework of the analysis integrates four levels: the financial system, legal system, organizational level and ethical leadership.

## Javier Gómez

On March 25-27, attended, in Warwick (UK), the *2002 Annual Conference of the Royal Economic Society*, where he presented the paper "Bulls and Bears: Lessons from some European countries".

*Abstract:* This paper analyzes the recent behaviour of stock markets in four European countries. More specifically, we describe the bull and bear phases of those markets, comparing some of their more relevant features (duration and amplitude of the phase) across European countries and with those of the US. We also comment on the degree of concordance of stock market phases across countries. We find that cycles in European countries have become substantially more concordant in the recent years, a result that was to be expected given the increased integration of the European financial markets, but note that the degree of concordance is not high.

## Carmelo Mazza

On April 4-6, attended, in Athens, the *Third European Conference on "Organizational Knowledge, Learning and Capabilities"*, hosted

by ALBA, where, besides chairing two sessions within the "Practical knowledge" track, he presented the paper "Breaking the waves of scepticism and eagerness: The paradoxes of knowledge-seeking managers" (coauthored by José Luis Alvarez).

*Abstract:* The interest in management knowledge and management education has grown considerably in the last decade. Nevertheless, increasing scepticism is emerging with regard to the impact of such knowledge and education on managerial decisions. The paper addresses the implicit paradox given by increasing managerial scepticism and the ongoing quest for more management knowledge. Managers tend to look for knowledge to put into action rather than ready-made solutions to well designed problems. So they look for additional sources of knowledge capable of providing the knowledge required to perform their tasks. Since the managerial task broadens by covering issues related to social legitimacy and personal prestige, non-technical management knowledge, derived from other fields and disciplines, appears to be playing an increasingly critical role.

## Domènec Melé

On June 13-14, attended the *VIII Conferencia de la sociedad "Ética, Economía y Dirección"*, organized by EBEN in Madrid, where he presented the paper "Razones para la responsabilidad social de la empresa. Una revisión crítica".

*Abstract:* Los motivos corrientemente aducidos para justificar las responsabilidades sociales de la empresa pueden agruparse en dos categorías. La primera surge de la estrategia corporativa y tiene como última referencia los resultados económicos y la sostenibilidad de la estrategia. Incluye como razones: 1) la necesidad de dar respuesta a las presiones y sensibilidades sociales y gubernamentales; 2) mejorar la reputación de la empresa y obtener con ello una ventaja competitiva, y 3) la formación de capital social. Todo ello, en determinadas condiciones, parece contribuir a mejorar los resultados económicos a medio y largo plazo.

La segunda categoría deriva de la misión inherente a la empresa en cuanto agente social, que exige un comportamiento socialmente responsable en todo momento. La mejora de los resultados económicos son, o pueden ser, una consecuencia, pero no la razón primordial para un comportamiento responsable.

On June 21-22, attended, in Poznan (Poland), the *EBEN Research Conference 2002*, where he presented the paper "Ethical principles for corporate social responsibility".

*Abstract:* In spite of the fact that the concept of Corporate Social Responsibility (CSR) is an old one, its ethical foundation is weak, as recent controversies have made clear. However, CSR has been receiving increasing attention, at least in Europe, since the European Commission's Green Paper was published last July. The starting point of this paper is a scheme based on three principles previously proposed as theoretical support for CSR, namely the Institutional, Organizational and Managerial principles. This scheme seems interesting, although the current contents of



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these principles have some shortcomings. In this paper we try to rethink these principles from a Neo-Aristotelian perspective. Thus, the Institutional Principle becomes orientation to the common good, the Organizational Principle is based on the existence of concentric responsibilities, and the Managerial Principle requires dialogue and practical wisdom.

## **Domènec Melé – Josep M. Rosanas**

On June 26-30, attended, in Oxford, the *International Conference on "Developing philosophy of management – crossing frontiers"*, organized by Reason in Practice. The Journal of Philosophy of Management, where they presented the paper "Power and authority in management thought: Mary Parker Follett".

*Abstract:* Power is one of the key ideas in Business Management, and so is the concept of authority. However, most studies on power are rather instrumental, related to the place of power in management, and how to achieve it; while less attention has been paid to the essential concepts of power and authority in management thought and how they have evolved. In order to clarify concepts, and to better understand the sense of power and authority in management and a proper use of them in organizations, this paper goes back to one of the pioneers in management thought: Mary Parker Follett (1868-1933). She has an original vision of power, holding that genuine power is not "power-over", but "power-with". At the same time, she defends an authority based on function and responsibility.

## **Paddy Miller**

On May 21-24, attended the *7<sup>th</sup> Annual Global Forum on Business Driven Action Learning and Executive Development*, organized by The Gordon Institute of Business Science (University of Pretoria) in Johannesburg, South Africa, where he presented the paper "The Client from Hell: When Being an Effective Client is as Important as Being an Effective Consultant".

*Abstract:* In the business of providing training and executive development programmes everybody has a client-from-hell (CFH) story. These are often stories about how the provider, either a business school or consulting firm, finds itself compromised through a series of blunders which at the time had not seemed that important. However, these blunders culminate in an experience that both parties would prefer to forget.

In analyzing the experiences of many professionals in this business we have come up with a model that aids analysis and suggests action when dealing with CFH. In this model we contend that the CFH relationship passes through several phases before becoming untenable. Specifically, we have identified five phases during which gaps or fissures appear in the relationship between client and provider. CFH relationships may develop during one or all of these phases. The phases are labelled as – needs analysis, pedagogical approach, process, evaluation and memory failure. Having identified the gaps, we essentially label them as symptomatic problems of CFH relationship breakdown. Often,

symptomatic problems cloud the underlying causes of the breakdown. We have defined six principle underlying causes for such breakdown. These six underlying causes help explain the reasons for CFH situations and open the way for a discussion on actions that move towards breakdown resolution. The six causes are: internal politics, process vs content, contracted professionals, feedback of one, trust and interference in the process.

## **Steven Poelmans**

On April 11-14, attended, in Toronto, the *2002 Annual Conference of the Society of Industrial and Organizational Psychology*, where he presented the paper "A nine nation study of work-family conflict and job satisfaction", coauthored by Tammy Allen, Paul Spector and Carly Bruck.

*Abstract:* Over the last decade several large-scale cross-cultural studies have been conducted to examine the antecedents of wellbeing (psychological and physical strain, job satisfaction) across a wide range of nations and cultures. Although these studies have been informative, cross-cultural examination of another important factor in overall health and wellbeing –work-family conflict (WFC)– is sparse. The few studies that have been conducted have focused primarily on comparisons between Asian and North American samples. This study is designed to address this gap in the literature by investigating WFC among managers from 8 different Latin countries, and by comparing findings with those from a United States (US) sample. A series of hypotheses were developed concerning expected WFC differences across the Latin and US populations. Specifically, differences were expected as a function of variables at the societal/cultural level and the individual level. We found that individual differences seemed to offer a better explanation of differences in WFC than did societal or cultural differences. Self-reported workloads revealed differences in WFC between individuals, whereas societal/cultural differences did not explain differences between countries. There seems to be a recurring pattern of relationships between WFC and job satisfaction. The data suggest that scholars studying well-being should be cautious about treating all Latin managers as belonging to a single homogeneous culture. We hope these results will provide a springboard for further research elaborating on issues concerning the work-family interface on a cross-cultural basis.

**He also acted as organizer and discussant in the symposium "Cross-cultural research on work and family".**

On May 8-11, attended, in Stockholm, the *II Annual Conference of the European Academy of Management*, where he presented the paper "The decision process theory of work and family. An integrative theoretical framework for individual and organizational work/family research".

*Abstract:* Since its early development, theoretical discourse in the field of work-family conflict has been confined to a few dominant theories. Only recently have alternatives have propounded and

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tested. It is through the collision of alternative explanations, though, that a research field evolves. This paper is intended to contribute to the field with what could be an alternative paradigm. The decision process theory of work and family shifts attention away from the consequences of work-family conflict for wellbeing to the immanent actions that proceed and follow a work-family dilemma. It conceptualizes work-family conflict as an ongoing decision-making problem based on three levels of human interaction. First, I will briefly reexamine some of the theories that have guided research in the field and point out their shortcomings. Some of these theories will provide the theoretical basis for my alternative conceptualization. Second, I will launch a series of propositions which, combined, will constitute the decision process theory of work and family. Third, I will point out the strengths and weaknesses of the theory and make recommendations for future research.

He also acted as organizer and submitter of the conference track "Work and family".

## **Jaume Ribera**

On April 5-8, attended, in San Francisco, the *POMS 2002: High Tech POMS* conference, organized by the Production Operations Management Society, where he presented the paper "Promotion of innovation in SMEs. The experience in the textile sector", coauthored by Eugeni Terré and Xavier Ferràs (Generalitat de Catalunya).

*Abstract:* The paper describes the efforts undertaken by the Ministry of Industry of Catalonia, Spain, to foster innovation best practices in the region's SMEs. The program ran over several years and included, among other activities, the identification and development of university technical centers for innovation, the creation of guidelines for self-assessment of innovation capabilities, and the development of a guide for managing innovation projects. Initial pilot studies performed in the textile industry showed great acceptance of the tools and significant impact on company behaviour.

## **Joan E. Ricart**

On May 9-11, attended, in Stockholm, the *II Annual Conference of the European Academy of Management on "Innovative Research in Management"*, organized by the Stockholm School of Entrepreneurship. There, he chaired a track entitled "Strategy in Theory and Practice" that held three sessions.

As President of EURAM, he gave three speeches, one at the City Hall, another at the Wassa Museum, and some closing remarks at the end of the conference. He also chaired the business meeting at the association's General Assembly.

The following papers were presented:

**Adrian Caldart:** "Understanding environmental turbulence. A dynamic model"

*Abstract:* During the last few years a debate has raged within the field of Strategic Management between a rational view (IO, Positioning School, Strategic Planning, Cybernetics) and a Complex Adaptive Systems (CAS) view (Emergent strategies, complexity theory, chaos theory) of the field. This paper attempts to shed some light on an issue which must be clarified in order to move that debate forward. As the CAS view is a response to the new realities of "environmental turbulence", we discuss the behavioural sources of such turbulence in order to determine whether it is a qualitatively new reality of business environments, or simply a contingent but circumstantial feature affecting many industries. For this purpose, we introduce and apply a theoretical model that conceives the strategy of the firm as a dialectic process in a situation of conflict. (Coauthored by **Joan E. Ricart**.)

## **Mike Hess: "The quest for customer loyalty in the mobile phone operator industry"**

*Abstract:* Creating a loyal installed base is clearly a top priority among mobile phone operators. It is also one of their greatest challenges. Previous research argues that customer switching costs play an important role in the firm's ability to retain customers and achieve competitive advantage. Research also indicates that in the increasingly networked environment, switching costs are changing in important ways. In this paper we attempt to provide insight into switching costs' strategic role within the networked environment by utilizing a switching cost framework to examine the mobile phone operator industry in Spain. (Coauthored by **Joan E. Ricart**.)

## **Miguel A. Rodríguez: "Sustainable development and sustainability of competitive advantage: A dynamic and sustainable view of the firm". (Coauthored by Joan E. Ricart and Pablo Sánchez.)**

*Abstract:* (See page 5).

## **Marc Sachon - Jaume Ribera**

On April 5-8, attended, in San Francisco, the *POMS 2002: High Tech POMS* conference, organized by the Production Operations Management Society, where they presented the paper "Determining feeding buffers to limit risk of interference with critical chain".

*Abstract:* Goldratt's Critical Chain rescues some concepts from old PERT methods and complements them with some new ones. Some papers criticize the use of feeding buffers only for those chains directly feeding the critical chain, and the rough rules to determine the buffers' size. In this paper we present a new approach to address these issues by managing the free float of activities that are not on the critical chain of a project network, focusing on non-critical paths with significant probabilities of interfering with the critical chain and determining the feeding buffer size needed to limit the risk of interference.



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## **Sandra Sieber**

On May 9-11, attended, in Stockholm, the *II Annual Conference of the European Academy of Management (EURAM) on "Innovative Research in Management"*, where, in the "Managing the Knowledge-based firm" track, she presented the paper "The CEO's view of KM and OL: Technology-or Persons-centered? Results from an empirical study in Spain", coauthored by **Rafael Andreu**.

*Abstract:* In today's competitive landscape organizational learning and knowledge management initiatives are emerging as powerful sources of competitive advantage. In this paper, we report on the design and expected result of a survey on knowledge management, which has been designed putting special emphasis on the interplay between the technical and non-technical aspects of learning and knowledge management initiatives. Questionnaires have been sent to 1,100 firms in 11 different industries in Spain, in order to be able to conduct both intra- and inter-industry analyses. In addition, in order to enrich the results, in-depth interviews will be held with selected companies. This will allow us to report on 1) what knowledge management initiatives are planned and carried out, 2) the role of technology in these initiatives, 3) the role of non-technical aspects like career planning and human resource policies, 4) the perceived effectiveness of the initiatives, and 5) the main underlying causal dynamics at work.

## **Sandra Sieber – Josep Valor**

On June 17-19, attended, in Bled (Slovenia), the *15<sup>th</sup> Bled Electronic Commerce Conference on "e-Reality: constructing the e-Economy"*, where they presented the paper "Horizontal portal strategies: Winners, losers, and survivors".

*Abstract:* The arrival of the Internet offers both opportunities for incremental efficiency gains and complete industry redefinition, presenting new value propositions and hence leading to the emergence of new businesses and industries. One particular case is that of the horizontal portal industry. These portals are consistently the most visited sites on the Web, and yet, despite the ongoing concentration of the market, overall profitability remains low and a number of companies have gone out of business.

In this paper we argue that, although the industry has great potential for value creation, value appropriation in information-based businesses remains problematic. Using a value-system approach, we show that horizontal portals will have some chance of becoming profitable if they manage to become a critical link in this system, making sure that they: 1) provide a way of organizing content, which is for many analysts "the king of the future", and 2) capture and channel the incoming traffic to the Internet by developing an Internet Service Providing component of the business.

## **José L. Suárez**

On May 17, attended, in Wiesbaden, the *IPD European Property Strategies Conference*, where he presented the paper

"Externalization of corporate real estate in Spain: the case of Telefónica".

*Abstract:* The paper deals with externalization transactions in Spain and the case of Telefónica, the biggest of its kind in Spain. Externalization transactions have become a new trend in corporate policies toward real estate property. Almost 80% of office assets belong to non real estate firms' portfolios and are an opportunity for better use of cash or debt repayment, creating shareholder value. Some multinational companies such as Philips, IBM and Electrolux have already done it in Spain, and some big Spanish companies are following their example: Iberdrola, Gas Natural, Endesa, BBVA, SCH, etc.

On June 5, attended, in Glasgow, the *9<sup>th</sup> Annual Conference of the European Real Estate Society (ERES)*, where he presented the paper "Hotels as Real Estate Investments".

*Abstract:* Hotel establishments, like any real estate asset, may be seen as being a piece of investment. This paper discusses the strategic patterns employed by the main players in the hotel industry, be they Hotel Management Companies or Investors. The relationship between these two types of companies is also studied. The paper deals exclusively with Hotel Management Companies and Investors that have at least 50% Spanish capital. The methodology includes in-depth interviews with the main companies involved in this industry.

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On March 16, the symposium on "European M&As: corporate restructuring and consolidation issues" was held at IESE in Barcelona, organized by CIIF (Center for International Finance Research) and **José M. Campa**, where, among others, the following papers were presented:

**Bruno Cassiman:** "The impact of M&As on R&D: An empirical analysis" (coauthored by Massimo Colombo and Paula Garrone of Politecnico di Milano, and Reinhilde Veugelers of the Catholic University of Leuven).

*Abstract:* This paper tries to uncover the processes governing the impact of M&A on innovation. Using a case study analysis of 31 M&A deals, it provides a broader set of determining characteristics and a more complete measure of R&D processes than other existing studies. The findings show that economies of scale in R&D are not a key driver of M&A in medium- and high-tech industries. M&A possibly allow merging firms with complementary technological capabilities to capture scope economies in R&D. However, the exercise of market power in both technology and product markets comes out as a clear driver of M&A.

He also acted as a discussant of the paper "Causes and Consequences of Merger Waves" by Jörn Kleinert and Henning Klodt (Kiel Institute of World Economics).

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## **Joan Fontrodona:** "Conflict of interest: Who advises the advisor?"

*Abstract:* After the recent financial scandals caused by the dot.com bubble and the Enron collapse, a significant number of academics, regulators, investment professionals and small investors have started to call for new solutions to the conflict of interest analysts face when giving companies stock market advice. This paper reviews the causes of these conflicts and presents possible solutions arising from the law, the financial system itself and investment banking organizations. Despite the fact that regulation and structural changes are required, the paper points out that all the conflicts start in the decision-making process and the ethical values of the analysts, and that, therefore, these are the main means by which they can be effectively solved. For this reason, investment banks should reinforce ethical training programs, and strengthen and invigorate ethical standards.

**José M. Campa** acted as a discussant of the paper "What do internal capital markets do? Redistribution vs incentives" by Axel Gautier (University of Bonn) and Florian Heider (Stern School of Business, New York University), and chaired the session "M&A and internal capital markets", in which the following three papers were presented and discussed: "Conflict of interest: Who advises the advisor?", "The Governance Motive in Cross-Border Mergers and Acquisitions" and "Investor Protection, Ownership and the Cost of Capital".

**Javier Estrada** acted as a discussant of the paper "Benefits of control? Evidence from Western European acquisitions", by Mara Faccio (Mendoza College of Business, University of Notre Dame), John McConnell (Krannert School of Management, Purdue University) and David Stolin (Ecole Supérieure de Commerce de Toulouse).

**Carlos García Pont** acted as a discussant of the paper "Target company cross-border effects in acquisitions into the UK" by Jo Danbolt (University of Glasgow).

**Javier Gómez** chaired the session "Post-merger integration outcomes", in which the following papers were presented and discussed: "Pre- and Post-Merger Integration in Cross-Border Transactions. Trends, Tools, Theses and Empirical tests of Old and New Economy Deals", "Causes and Consequences of Merger Waves" and "Foreign Acquisitions by UK Limited Companies: Long-run Performance in the US, Continental Europe and the Rest of the World".

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On June 17, the *II Simposio Anual* of CIIL, on the theme "Comprender los cambios en la logística", was held at IESE in Barcelona, where the following papers were presented:

## **Jaume Ribera:** "El comercio entre Europa y China: la problemática logística"

*Abstract:* La presentación se centró en el resumen de un proyecto de investigación conjunto entre el CIIL y la Cátedra Port de Barcelona en CEIBS, Shanghai, que ha explorado la problemática logística de los negocios entre Europa y China. Tras un repaso a la situación económica de China y las perspectivas de crecimiento (ingreso en OMC, Beijing 2008, y un 50% de su fuerza laboral aún en el sector primario), se presentaron algunas conclusiones del estudio, tanto en su vertiente de percepción por parte de directivos europeos como de sus colegas chinos.

A pesar del crecimiento importante en puertos y en ofertas de servicios logísticos por parte de empresas logísticas chinas y occidentales, y de la entrada en el sector de nuevos competidores provenientes de la industria (como Haier) o del transporte de pasajeros (como Dazhong Transport), los principales problemas de evolución de la logística en China se centran en tres áreas: las infraestructuras deficientes, tanto en sus aspectos *hard* (redes ferroviarias, autopistas, almacenes...) como en sus aspectos *soft* (servicios de banca, seguros, tecnologías de información...), la legislación complicada y fraccionada entre Ministerios y provincias, y la cultura de autosuficiencia de las empresas, que unido a un exceso de capacidad de transporte propio y las decisiones dispersas en aspectos logísticos, están frenando la externalización de estos servicios, lo que mantiene –según estadísticas internas chinas– un diferencial del 20% de costes logísticos adicionales en comparación con los países desarrollados.

## **Marc Sachon:** "Compras electrónicas en la *supply chain*"

*Abstract:* La gestión de la *supply chain* es un factor clave en una empresa. Una de las tareas más importantes en la *supply chain* son las compras, dado que tienen un impacto directo en los beneficios de la empresa. Las nuevas herramientas del B2B nos permiten ir mucho más allá con la compra electrónica que las herramientas tradicionales (teléfono, fax, EDI). El documento intenta dar respuesta a las siguientes preguntas: ¿Cuál es el papel de la compra electrónica dentro de la *supply chain*? ¿Cuál es el estado de la compra electrónica? ¿Qué tendencias hay en el mercado de las herramientas electrónicas para la gestión de la *supply chain* y para la compra electrónica?

## Miscellaneous

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### **Rafael Andreu – Sandra Sieber**

On April 5-6, attended the *3<sup>rd</sup> European Conference on "Organizational Knowledge, Learning, and Capabilities"*, where they chaired a number of sessions. IESE will host the 4<sup>th</sup> edition of this conference in April 2003.



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## Antonio Argandoña

On June 13-14, attended the *VIII Conferencia de la sociedad "Ética, Economía y Dirección"*, organized by EBEN in Madrid, where he gave the lecture "Ética y responsabilidad social de las empresas: ¿Cuáles son los retos?"

## Africa Ariño

Has won the "Sara and George McCune" Best Paper Award for the article "To Do or Not to Do? Noncooperative Behaviour by Commission and Omission in Interfirm Ventures".

This award is given each year for papers published the previous year in *Group & Organization Management*.

## Carmelo Mazza

On May 8, attended, in Rome, *Forum P.A.*, the Italian Government's annual conference on services to businesses and citizens, where he sat on the panel for the discussion of "Cultural transformation in the public administration" and introduced the book "Gestire grandi città: Storie di Rome al passaggio del millennio", coauthored with B. Czarniawska and T. Pipan.

## Magdalene Rosenmöller

Has been elected Member of the Board of the European Health Management Association (EHMA) at the association's Annual Conference, held in Gdansk.

## Book reviews

### José M. Campa

Review of "Exchange rate misalignment: Concepts and measurement for developing Countries", by Lawrence Hinkle and Peter Montiel, *World Bank*, 1999, *Journal of International Economics*, Vol. 57, No. 1, June 2002, pages 257-260.

### José R. Pin

Review of "Practice what you preach. What managers must do to create a high achievement culture", by D. H. Maister, *The Free Press*, New York, 2001, *Capital Humano*, No. 155, May 2002.

Review of "Dirección de recursos humanos en empresas multinacionales: las subsidiarias al descubierto", by **Javier Quintanilla**, *Financial Times-Prentice Hall*, Madrid, 2001, *Capital Humano*, No. 156, June 2002.

### Javier Quintanilla

Review of "The attention economy", by Thomas H. Davenport and John C. Beck, *Harvard Business School Press*, 2001, *Enfoques*, Vol. VII, May 2002.

## Teaching materials

**NOTE: The updated bibliography can be consulted on the Internet at <http://www.iesep.com>**

### Decision Analysis

ARMA models for time series  
(ADN-245-E - 0.198.029)

The note explains what a stationary series is. It defines ARMA models and explains how to make forecasts with these models. (Also available in Spanish).

Ariño M.A.; 11 pages.

### Analysis of Business Problems

Camping Alto Castejón  
(ASN-21 - 0.399.100)

Dos consultores deciden hacer una inversión en un camping del valle de Benasque (Alto Castejón) pensando que sería un buen negocio; las cosas empiezan a ir mal cuando el dueño del camping no hace las inversiones debidas y pone trabas a que se estudien a fondo los números. Esto plantea decisiones que se deben tomar para mejorar la gestión.

Ariño A.; Gallo Ll.; Santomá J.; 10 pages.

### Organizational Behaviour

Montemarrón, S.A. (A)  
(FH-591 - 0.497.066)

Montemarrón, S.A. ha conseguido un contrato con el Ayuntamiento de Portofabril. A lo largo del año empiezan a encontrar problemas de cobro. Los vecinos se ponen nerviosos y presionan al equipo de gobierno del ayuntamiento. Este presiona a Montemarrón. Unas nuevas elecciones hacen que acceda al poder municipal un nuevo partido. Después de varias negociaciones, Montemarrón consigue encontrar una fórmula de cobro, pero cuando ya funcionaba se anunció una moción de censura que, con toda seguridad, tendrá éxito.

Gómez-Llera G.; Pin J.R.; 5 pages.

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## **Montemarrón, S.A. (B)** **(FH-592 - 0.497.067)**

(See case A).

Gómez-Llera G.; Pin J.R.; 3 pages.

## **Montemarrón, S.A. (C)** **(FH-593 - 0.497.068)**

(See case A).

Gómez-Llera G.; Pin J.R.; 2 pages.

## **Montemarrón, S.A. (D)** **(FH-594 - 0.497.069)**

(See case A).

Gómez-Llera G.; Pin J.R.; 2 pages.

## **Montemarrón, S.A. (A, B, C, D) - Teaching Note** **(FHT-25 - 5.497.070)**

(Cases A, B, C and D), (FH-591, FH-592, FH-593 and FH-594).

**Use is restricted to Academic Institutions.**

Gómez-Llera G., Pin J.R.; 4 pages.

## **La renovación padronal (A)** **(FH-602 - 0.497.089)**

Se trata de un caso sobre la renovación del padrón de un municipio de tres millones de habitantes. En él se describe lo que es una renovación padronal y cómo debe llevarse a cabo (trabajo de campo, personas necesarias, leyes a tener en cuenta, etc.). El problema que se plantea es el siguiente: para llevar a cabo la renovación padronal, el ayuntamiento necesita contar con 3.000 personas. Se trata de averiguar si debe contratarlas y formarlas directamente o subcontratar el trabajo con otra empresa o empresas privadas. Fundamentalmente, los criterios son dos: rentabilidad y eficacia.

Pin J.R.; Suárez E.; 13 pages.

## **La renovación padronal (B)** **(FH-603 - 0.497.090)**

Se publica un concurso para llevar a cabo la renovación padronal de un municipio de tres millones de habitantes. La mitad de las empresas consultadas no están interesadas en el tema, y la otra mitad declara que el presupuesto es insuficiente. Se adjudica

el trabajo a una UTE formada por dos empresas. La logística falla en algunos puntos: locales no disponibles en las fechas previstas; el contrato de impresión de hojas, manuales, etc., se adjudica a una empresa que no puede cumplirlo y que tiene deudas tributarias, hay problemas laborales, etc. ¿Qué hacer?

Pin J.R., Suárez E.; 21 pages.

## **Macarena López (A)** **(FH-619-E - 0.498.022)**

The case describes the trials endured by a young events assistant in the public relations department of a hotel when the administrative manager tries to force their relationship beyond the strictly professional level.

(Also available in Spanish).

Chinchilla M.N., Pin J.R., Rodríguez A.; 4 pages.

## **Macarena López (B)** **(FH-620-E - 0.498.023)**

(See case A).

(Also available in Spanish).

Chinchilla M.N.; Pin J.R.; Rodríguez A.; 2 pages.

## **Macarena López (C)** **(FH-621-E - 0.498.024)**

(See case A).

(Also available in Spanish).

Chinchilla M.N.; Pin J.R.; Rodríguez A.; 1 page.

## **Macarena López (D)** **(FH-622-E - 0.498.025)**

(See case A).

(Also available in Spanish).

Chinchilla M.N.; Pin J.R.; Rodríguez A.; 1 page.

## **Icaria Serigrafía (B)** **(FH-623 - 0.498.031)**

El caso relata la trayectoria de Icaria Serigrafía durante los últimos cinco años, sus nuevas inversiones, su diversificación, la adecuación del personal y las nuevas inquietudes y proyectos con los que su gerente se enfrenta en este momento.

Chinchilla M.N.; Vázquez-Dodero F.; 9 pages.



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## **Luis Prat y José Ruiz (A)** **(FH-706 - 0.402.002)**

Describe las diferencias que se producen entre Luis Prat y José Ruiz a raíz de un cambio en la estructura de la dirección, y los pasos que dan, con la ayuda de un consultor, para resolver dichas diferencias.

Rodríguez J.M.; 5 pages.

## **José Bové (C)** **(FH-702 - 0.401.045)**

El caso describe las medidas tomadas por Mercadé y sus consecuencias.

Rodríguez J.M.; 1 page.

## **Luis Prat y José Ruiz (B)** **(FH-699 - 0.401.041)**

El caso (B) recoge, en forma abreviada, el contenido de las tres reuniones que tuvieron Prat y Ruiz con el consultor.

Rodríguez J.M.; 12 pages.

## **Seguros Saniplan contra Joan Cots (A)** **(FH-707 - 0.402.004)**

In this case we experience the loss of an employee, Joan Cots, after a personal crisis. We take the perspective of José Sánchez, his supervisor, and reflect whether we could have prevented the crisis by reading the early warning signals. The cure pleads for a better coordination between the different involved parties (company director, direct colleague, human resources, supervisor) to prevent individual stress problems, absenteeism, and the consequent costs for the Company.

Poelmans S.; 5 pages.

## **Nieves Aguilar (B)** **(FH-708 - 0.402.005)**

Cuatro años después de haber tenido la conversación en la que relató su situación personal al autor del caso, Nieves Aguilar ha sido madre y explica sus nuevas prioridades y su situación laboral.

Rodríguez J.M.; 3 pages.

## **Relaciones interpersonales difíciles. Siete relatos breves** **(FH-709 - 0.402.006)**

Siete relatos breves en los que alumnos del curso de Relaciones Interpersonales del 2º año del Programa Master aplican los conceptos del curso a sus relaciones personales.

Rodríguez J.M.; 8 pages.

## **Watson Wyatt España (A)** **(FH-711 - 0.402.011)**

El caso recoge el reto con que se enfrenta el nuevo director general para hacer crecer la empresa Watson Wyatt España dentro del sector de la consultoría estratégica.

Baena V.; Chinchilla M.N.; 22 pages.

## **Watson Wyatt España (B)** **(FH-712 - 0.402.012)**

El caso recoge las primeras decisiones del director general en los primeros meses y los nuevos retos en el año 2000.

Baena V.; Chinchilla M.N.; 8 pages.

## **Seguros Saniplan contra Joan Cots (B)** **(FH-714 - 0.402.014)**

Tras diez meses de inactividad y una terapia intensiva, Joan Cots se recupera y prepara su reincorporación a la empresa. El director de recursos humanos, Josep Serrano, le ofrece una función mucho más baja, sin responsabilidades directivas, y un salario también más bajo. Joan Cots no está muy satisfecho con esta situación, ya que tiene constancia de antiguos empleados que se habían recuperado de un accidente o un infarto y volvían a su salario anterior. Esta parte del caso sirve para abrir el debate sobre los aspectos éticos; ¿quién era responsable de lo que había sucedido? El departamento de recursos humanos, ¿está tomando la decisión correcta?

Poelmans S.; 2 pages.

## **Teoría de la disonancia cognoscitiva, teorías de la motivación y resistencia al cambio** **(FHN-312 - 0.497.112)**

Esta nota técnica pretende poner en relación la teoría de la motivación y la teoría de la disonancia cognoscitiva de Festinger. Para ello, primero ofrece una explicación de la teoría de la disonancia cognoscitiva; a continuación ofrece un repaso de las distintas teorías de la motivación, y finalmente establece una

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relación entre las diferentes teorías. Además, a la luz de los conocimientos obtenidos de ambas teorías, trata el problema de la resistencia al cambio y aporta algunas conclusiones.

Pin J.R.; Suárez E.; 15 pages.

## Accounting and Control

### Las cuentas del Fútbol Club Barcelona (C-705 - 0.199.031)

Se presentan los estados financieros de 1997 y 1998 del Fútbol Club Barcelona, y las críticas a los mismos efectuadas por el grupo de oposición "L'Elefant Blau" a la directiva. Se trata de discutir si estas críticas pueden estar justificadas o no, y cuáles deben ser los criterios para establecer unos estados financieros para la entidad.

Amat O.; Badía M.; Prat N.; Rosanas J.M.; 16 pages.

## Marketing

### Nestlé Spain: The Red Box (M-1080-E - 0.599.038)

Up to 1988, Nestlé España, S.A. had a 45% market share in boxed chocolates in Spain. This leadership position was reinforced in 1988 with the acquisition of Rowntree ("After Eight" and "Quality Street") and Perugina ("Baci"). But it was subsequently strongly challenged when, in September 1989, Ferrero aggressively launched Ferrero Rocher in Spain. In spite of Nestlé's marketing efforts, Ferrero made strong gains in market share. At the end of 1992, total market shares for all brands and varieties of boxed chocolates sold in Spain by the two companies were: Ferrero 32%; Nestlé 31%. Having lost the leadership position, what should Nestlé España do? The case includes detailed information, including a summary P&L, breakdown of advertising expenses, and A.C. Nielsen data. (Also available in Spanish).

Parés F.; Renart L.G.; 29 pages.

### ArteOliva (M-1132-E - 0.501.032)

ArteOliva has launched a new extra virgin olive oil that sells in cartons. After the first few months on the market, they decide to conduct a TV advertising campaign to communicate the product's special advantages. (Also available in Spanish).

González J.; Segarra J.A.; 27 pages.

### Afilent (A). Reflotamiento (M-1134 - 0.502.003)

Afilent, compañía industrial de elementos de fijación, se encuentra en 1996 sumida en una profunda crisis de competitividad que la ha llevado a la suspensión de pagos y a la presentación de un conflictivo expediente de regulación de empleo definitivo. El consejero delegado y su presidente reflexionan sobre las causas que la han llevado a la situación actual y los caminos de reflatamiento. Estos pasan por resolver las condiciones de negociación del expediente de regulación de empleo, la reestructuración de los pasivos y el cambio completo del modelo de negocio.

González J.; Segarra J.A.; Vidal J.M.; 18 pages.

## Financial Management

### Manual del juego de bolsa (FN-473 - 0.201.002)

Manual del usuario del "Programa juego de bolsa". Con este software, los alumnos pueden gestionar una cartera de valores con precios reales. Algunas de las ventajas que aporta el programa son: Se pueden incluir tantos activos como se quieran, de cualquier tipo y mercado; por ejemplo, acciones de varios países, índices bursátiles, futuros, opciones, *commodities*, bonos, etc. El profesor fija los activos que se van a utilizar, poniendo así el énfasis en los mercados que tengan más interés para el aprendizaje del alumno. Todos los activos cotizan en mercados oficiales. Los precios se obtienen directamente de una terminal Reuters. Se puede jugar, y actualizar las cotizaciones, con la frecuencia que se quiera, semanalmente, diariamente o, incluso, en tiempo real, pero se recomienda empezar con una frecuencia semanal. El profesor dispone de toda la información acerca del resultado de cada cartera, y cómo se ha generado. El programa corre en entorno Windows.

Martínez Abascal E.; Oriol J.; 34 pages.

## General Management

### Namhex (B-1): The joint venture's point of view (DG-1265-E - 0.399.089)

At the beginning of 1995 Namco of the United States and Hexagon of France establish one of the largest and most promising alliances of recent years. The basic idea is to form a 50-50 joint venture, to be called Namhex, whose mission will be to produce and sell a new line of "green" products. Considering that alliances tend to be difficult to manage, that many companies have got



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their fingers burned, and that risks are unavoidable, the questions that inevitably arise are: How can the partners hedge those risks? Is there such a thing as a perfect agreement? What determines whether an alliance is successful or not?...

(Also available in Spanish).

Ariño A.; Montes J.S.; 5 pages.

## **Namhex (E)** **(DG-1326-E - 0.300.118)**

(See case A).

(Also available in Spanish).

Ariño A.; Montes J.S.; 3 pages.

## **Namhex (F)** **(DG-1327-E - 0.300.119)**

(See case A).

(Also available in Spanish).

Ariño A.; Montes J.S.; 3 pages.

## **Napster-Bertelsmann (A)** **(DG-1353-E - 0.302.006)**

In October 2000, Bertelsmann undertook to lend Napster \$50 million, with an option to take a majority equity stake. In return, Napster would develop the necessary technology to get users to pay for music downloaded from the Net. Together, they would create a subscription fee-based business model. Additionally, Bertelsmann agreed to withdraw from the lawsuit that the major record companies had brought against Napster and to try to convince the other companies to do the same. The case describes the music distribution industry, and serves as a basis to discuss Napster's impact on this industry, and to evaluate Bertelsmann's decision.

(Also available in Spanish).

Ariño A.; Evans W.; Used E.; 21 pages.

## **Napster-Bertelsmann (B)** **(DG-1354-E - 0.302.007)**

(See case A).

(Also available in Spanish).

Ariño A.; Evans W.; Used E.; 3 pages.

## **AB Asesores (B)** **(DG-1360 - 0.302.020)**

A principios de 1999, los bancos de inversión europeos no estaban preparados para competir en un mercado global. Merrill Lynch, Morgan Stanley y Goldman Sachs permanecerían como los tres grandes, condición esencial en una estrategia global para competir en el siglo XXI. El consenso entre los principales bancos de negocios era que, dentro de cinco años, habría en torno a media docena de firmas capaces de competir con éxito como bancos globales, con una gama de servicios completa, explicaba el informe. Los bancos que participarán ineludiblemente en la carrera por hacerse un hueco en el mercado global serían los tres grandes estadounidenses: Merrill Lynch, Goldman Sachs y Morgan Stanley Dean Witter, además de Citigroup, JP Morgan y Chase Manhattan. En la banca de inversión norteamericana, firmas pequeñas y no tan pequeñas desaparecerían en los brazos de bancos comerciales, aseguradoras o bancos de negocios de mayor tamaño.

Ariño A.; Castán L.; 3 pages.

## **Arce** **(DG-1361 - 0.302.023)**

Arce es una empresa familiar fundada en 1885, dirigida por tres hermanos de la tercera generación y en la que están incorporados varios miembros de la cuarta generación. De los tres negocios que forman la empresa, uno ha entrado en pérdidas hace dos años y se ha contratado una consultoría para revitalizarlo, otro no tiene crecimiento, y el tercero se encuentra con una nueva competencia muy fuerte. En una reunión de los 22 miembros de la cuarta generación, se preguntan: ¿tienen futuro nuestros negocios?, ¿por qué admitir a trabajar tantos miembros de la familia?, ¿qué hacer con los accionistas minoritarios?, ¿contratamos a alguien para tener protocolo familiar?

Gallo M.A.; 3 pages.

## **Zenit, S.A.** **(DG-1362 - 0.302.024)**

Zenit es una empresa familiar en segunda generación que, con una facturación de 120 millones de euros, lidera el nicho de su producto en Europa. En 1997 contrató a un ingeniero (MBA y con experiencia de trabajo en una importante multinacional del sector) como director general. En el segundo nivel jerárquico, formado por varios ingenieros, también están dos miembros de la familia propietaria, cuya carrera profesional ha sido diseñada y seguida directamente por los dos miembros independientes del consejo de administración. En octubre de 2001, el presidente y propietario de Zenit se reúne con el director general y le comunica que ha perdido la confianza de la familia y lo separa de la empresa.

Gallo M.A.; 3 pages.

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## **Alza, S.A.** **(DG-1363 - 0.302.025)**

Alza era una empresa familiar centenaria que había logrado un importante desarrollo hasta llegar a emplear 500 obreros. La dirección de la empresa está a cargo del único varón de la tercera generación, figura importante en su ciudad, presidente de la Cámara de Comercio y consejero de un banco nacional. El consejo de administración de la empresa, formado por varios consejeros externos, siempre le apoya. Mariano, el mayor de los miembros de la cuarta generación, hombre capaz y muy preparado, pide cambios en la estrategia de la empresa durante varios años. El Consejo nunca le da la razón. Mariano recomienda a su madre que venda las acciones, pero ésta no le hace caso, y él dimite como consejero. Posteriormente, Alza, S.A. presentó la suspensión de pagos.

Gallo M.A.; 3 pages.

## **Botero, S.A.** **(DG-1364 - 0.302.026)**

Se describe la actuación de un directivo no familiar de 63 años, Yáñez, que posee el 10% del capital de una empresa familiar en la que ya hay miembros de la tercera generación incorporados. El resto del capital está repartido entre dos familias, cada una con el 45%. Ningún miembro de estas familias trabaja en la empresa, excepto José Sáez (3ª generación). Las familias tampoco conocen la empresa, que siempre les ha dado buenos dividendos. José Sáez le dice a su madre (accionista de 2ª generación) que Yáñez es un "dictador" en la empresa, que ésta va mal, que reparte más dividendos de lo razonable, y que si los accionistas no intervienen, la erosión de la situación será muy rápida.

Gallo M.A.; 3 pages.

## **Linares** **(DG-1365 - 0.302.027)**

Arsacio Linares, miembro de la tercera generación de la familia propietaria de Retasa, es nombrado consejero en sustitución de su madre, viuda. Arsacio es ingeniero de caminos y trabaja en otra empresa del sector de la construcción. Años después, en esta empresa le invitan a seguir un curso de desarrollo de directivos en una conocida escuela de negocios. Como consecuencia de este curso y de posteriores estudios sobre las responsabilidades del consejo de administración, Arsacio comprende que Retasa pronto pasará por una situación de declive. Al no encontrar eco a sus preocupaciones, ni en la dirección de Retasa ni en el Consejo, decide dimitir.

Gallo M.A.; 3 pages.

## **Lodisa** **(DG-1366 - 0.302.028)**

Mercedes, propietaria del 7,7% de una empresa familiar valorada entre 2.000 y 2.500 millones de pesetas, necesita 25 millones para comprar un piso. Después de que la empresa le deniega un préstamo con la garantía de sus acciones, pide vender un 1,5%. Roque, su primo y director general, se niega a establecer procedimientos para dar liquidez a los accionistas con todo tipo de argumentos, el último de los cuales consiste en: «Podemos burlarnos de lo que han hecho nuestros padres, vendiendo y rompiendo la unidad».

Gallo M.A.; 3 pages.

## **La familia Izquierdo** **(DG-1367 - 0.302.029)**

El consejo de familia del grupo Izquierdo, con unas ventas de 800 millones de euros, intenta "ponerse por encima" del consejo de administración del grupo. Su presidente, el mayor de los cinco miembros de la familia, deja de convocarlo. Uno de los hermanos busca separar la empresa que él dirige, y que él y sus hijos sean los propietarios mayoritarios. El consejo de administración avanza en la profesionalización del grupo. Se contratan directivos no familiares y se intensifica la formación de los miembros familiares no disidentes. Todos se preguntan: «Sin consejo de familia. Con un hermano separado, ¿es válido el protocolo familiar?»

Gallo M.A.; 3 pages.

## **Grupo Goiría** **(DG-1368 - 0.302.030)**

El grupo Goiría es una empresa familiar con una facturación de 700 millones de euros. El fundador y presidente encarga un protocolo familiar, y cuando éste es firmado en 1997, se retira a los 67 años y transfiere la mayoría de la propiedad a sus hijos. En 1997 cambia el consejo de administración, incorporándose alguna de las hijas y varios consejeros independientes. Asimismo, en 1997 se forma el consejo de familia, con la esposa del fundador, el hijo mayor y Claudia, una de las hijas. En 1999, después de varias consultas, el consejo de administración decide por unanimidad separar al marido de Claudia de sus funciones ejecutivas en el grupo. El consejo de familia continúa su trabajo con normalidad. Claudia y su marido no firmaron la revisión del protocolo que se hizo en el año 2000. La familia se pregunta: «¿Firmarán ahora, en 2001, la nueva revisión?».

Gallo M.A.; 3 pages.



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## **Corporación Empresarial Familia Iborra (DG-1369 - 0.302.033)**

Víctor Iborra es un empresario familiar que ha logrado construir una de las mayores corporaciones empresariales del país, que operando en cuatro sectores, facturó cerca de 3.000 millones de euros en 2002.

Sus tres hijos han terminado hace años los programas MBA en las mejores escuelas del mundo, y trabajan como altos directivos con éxito en la corporación. Víctor, de 71 años, y su mujer, se plantean cómo perfeccionar el proceso de transmisión del poder y del patrimonio para que la corporación tenga más éxito y sus hijos sigan sus vocaciones.

Gallo M.A.; 3 pages.

## **Resultados de los protocolos familiares (DGN-603 - 0.300.110)**

Después de analizar diez empresas con protocolo familiar formulado hace más de cinco años, se comentan los resultados que más directamente pueden atribuir a la existencia del mismo y que han sido identificados por medio de entrevistas con miembros de la familia, unos trabajando en la empresa familiar y otros no, y con directivos no familiares. Una vez analizados los principales resultados, tanto positivos como negativos, se proponen: 1) puntos a mejorar en los procesos de formulación y de implantación de los protocolos familiares, y 2) los principales aprendizajes sobre el contenido del protocolo familiar.

Gallo M.A.; Tomaselli S.; 11 pages.

## **Comportamientos no acertados de consejos de administración en empresas familiares: varias situaciones reales (DGN-604 - 0.300.111)**

En la empresa familiar se corre el riesgo de considerar el consejo de administración como una panacea de sus males. En este documento se describen siete tipologías de consejos de administración, frecuentes en las empresas familiares, cuya actuación puede calificarse como nociva. Al mismo tiempo, se aportan siete grupos de recomendaciones para evitar caer en los errores.

Gallo M.A.; 16 pages.

## **IDDEO - Nota del Instructor (DGT-26 - 5.302.011)**

(Case DG-1332).

**Use is restricted to Academic Institutions.**

Ricart J.E.; 14 pages.

## **Production, Technology and Operations Management**

### **General Optica Internacional (P-997-E - 0.601.003)**

General Optica Internacional is considering the possibility of centralizing the production of glasses (lens adjustment) instead of having it done in a decentralized manner in the stores. Centralization is expected to yield cost savings, but it may also give rise to service delivery problems.

(Also available in Spanish).

Bohnsen B.; Nueno P.; 18 pages.

## **Entrepreneurship**

### **Fractus-3i (B): A new round of financing (E-31-E - 0.601.057)**

The case describes the background to the negotiation of a final round of financing between a high-tech start-up (Fractus) and a venture capital firm (3i). It focuses on the impact of the valuation on the dilution of the company's equity.

(Also available in Spanish).

Herlicq B.; Roue J.; Segurado J.L.; 4 pages.

### **Alimeco (E-42 - 0.601.072)**

Para responder a la creciente preocupación de los españoles por su alimentación, Alimeco quiere implantar una red de supermercados ecológicos en las ciudades de mayor poder adquisitivo de España.

Battaglia F.; Burford B.; Nieri R.; Nueno P.; Ruano J.; 27 pages.

## **Information Systems**

### **Netcentives & ClickRewards (SI-128 - 0.101.063)**

Se analizan distintos aspectos de la empresa ClickRewards, dedicada a la tecnología de venta de sistemas de puntos a las empresas para programas de fidelización de clientes. Aspectos de Internet como el *e-commerce*, el dinero electrónico, los flujos transaccionales o la situación financiera de esta empresa, sus riesgos legales o tecnológicos, son revisados en este caso.

Cox C., Subirana B.; 14 pages.

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## **An Introduction to Databases (SIN-34-E - 0.101.009)**

Companies today have to handle increasing amounts of information. Databases have been developed as one of the main tools for storing and consulting all of an organization's data at a relatively low cost, thus contributing to improved decision making. This note presents the main reasons for adopting the database approach and explains the advantages it offers the organization. It also discusses the basic elements of database design. A methodology for constructing a good database model of the organization is introduced, explaining in detail the different stages: the business model, the conceptual model and the logical model. (Also available in Spanish).

Andreu R.; Berasategui L.; Sieber S.; 15 pages.

## **Doctoral theses**

### **Oscar E. Carbonell**

#### **EFICIENCIA DEBIL Y VARIABLES QUE MUEVEN LA BOLSA DE LOS PRINCIPALES MERCADOS LATINOAMERICANOS, ESPAÑA Y ESTADOS UNIDOS (IESE)**

*Abstract:* Este trabajo versa principalmente sobre dos aspectos: la baja eficiencia de los mercados latinoamericanos y la relación variables macroeconómicas –rendimientos de mercado en esos mercados. Los países analizados son: Argentina, Brasil, Chile y México; también se incluyeron España y Estados Unidos a fin de establecer comparaciones con unos mercados más desarrollados. El período de tiempo del estudio es de 1988 a 1999, y todos los test se realizaron en dólares estadounidenses y las monedas locales.

En general, descubrimos que los mercados latinoamericanos eran ineficientes desde un punto de vista teórico, pero una vez considerados los costes de las transacciones, es muy difícil aprovecharse de esta ineficiencia. Se realizaron distintos test estadísticos, desde la autocorrelación simple hasta test no paramétricos, así como la simulación de diferentes estrategias inversoras que incluían los costes de las transacciones a fin de aprovechar estas aparentes ineficiencias.

Las variables macroeconómicas que se pusieron a prueba en relación con los rendimientos de mercado fueron: tipo de interés, divisa y PNB. Nuestros resultados muestran que los tipos de interés tienen un gran poder explicativo sobre los rendimientos de los mercados latinoamericanos, sobre todo cuando la relación se mide en dólares, y que esta relación es más fuerte en Latinoamérica que en España o en Estados Unidos. Descubrimos una correlación débil, pero positiva, entre la divisa y los rendimientos de mercado. Como se esperaba, los mercados estudiados tienen un gran poder predictor sobre el PNB, pero este poder es menor en Latinoamérica que en los mercados más desarrollados.

### **Martha Rivera**

#### **THE RELATIONSHIP BETWEEN ORGANIZATIONAL JUSTICE AND INDIVIDUAL SALES PERFORMANCE: AN EMPIRICAL STUDY IN THE FAST-MOVING CONSUMER GOODS INDUSTRY (IESE)**

*Abstract:* This study is concerned with the performance of salespeople. Salesperson performance has a key influence on a firm's success, because typically salespeople have been considered as the source of revenue that drives profitability for the company. Consequently, an important research issue is the identification of factors that affect salesperson performance.

Sales management literature has focused on ascertaining antecedents of salesperson performance (e.g., Bagozzi 1978; Behrman and Perreault 1984; Churchill et al. 1985; Brown and Peterson 1993; MacKenzie et al. 1998). A summary of direct antecedents of sales performance was reviewed in a relatively recent meta-analysis by Brown and Peterson (1993). In this extensive study organizational justice variables were not considered.

Concern about fair and equitable treatment is thousands of years old. Sales managers must honor several justice principles if their salespeople are to feel fairly treated. Specifically, the perception of fair treatment that salespeople have from their sales manager could impact important sales outcomes, such as sales performance. The limitation of our understanding of organizational justice in a sales force context has encouraged us to study the role of organizational justice variables, specifically procedural and distributive justice, among salespeople.

Based on previous literature, this dissertation develops and estimates a structural equation model of the relationships between organizational justice and individual sales performance. Two research questions are the main issue of this investigation: 1) how organizational justice influences individual sales performance, and 2) how perceived justice is intertwined with a "net" of social exchange variables that impact individual sales performance. Ten hypotheses were tested. The data used to evaluate the model were obtained from a self-administered questionnaire given to 100 salespeople in the fast-moving consumer goods industry in Spain. Results indicate that the model fits adequately to the data. The results of the test of the hypothesized relations demonstrates that organizational justice variables are reliably associated with performance in the context of fast-moving consumer goods salespeople in Spain.



University of Navarra

## Newsletter Research Division

### IESE - Occasional Papers

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OP-02/2 - April 2002

**Jordi Gual**

#### REGULATORY FRAMEWORK AND DEVELOPMENT OF ELECTRONIC COMMUNICATIONS IN EUROPE

*Abstract:* The aim of this document is to contribute to an open debate in Europe about the pace and nature of the process of liberalization of the telecommunications industry and to analyze which courses of action in the liberalization process could most usefully contribute to a rapid and harmonious development of electronic communications in the European Union. This reflection is necessary for two reasons.

Firstly, because the "new regulatory framework" which has just been established at the EU level is only a general legal framework. Its impact on the development of European electronic communications will largely depend on the philosophy of legislative translation of the approved regulations in the Member States and on the practical application of the coordination mechanisms contemplated by the new legislation. These mechanisms allow a significant margin of discretion in the regulation approved by Member States.

Secondly, because in an industry as dynamic and complex as telecommunications and other related industries, it is important for the regulatory framework to be flexible, so that it can be rapidly adapted to changes in the environment and help to eliminate rigidities and regulations which hinder technological progress and business initiative. In this respect, this document analyzes those aspects of the regulations which tackle the development of the industry and which have only been partially dealt with in the recent legislative changes.

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