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Journals

Manel Baucells - Franz Heukamp

"Stochastic dominance and cumulative prospect theory", *Management Science*, Vol. 52, No 9, September 2006, pages 1409-1423.

Abstract: We generalize and extend the second-order stochastic dominance condition for expected utility to cumulative prospect theory. The new definitions include preferences represented by S-shaped value functions, inverse S-shaped probability weighting functions, and loss aversion. The stochastic dominance conditions supply a framework to test different features of cumulative prospect theory. In the experimental part of the paper, we offer a test of several joint hypotheses on the value function and the probability weighting function. Assuming empirically relevant weighting functions, we can reject the inverse S-shaped value function recently advocated by Levy and Levy (2002) in favor of the S-shaped form. In addition, we find generally supporting evidence for loss aversion. Violations of loss aversion can be explained by subjects using the overall probability of winning as a heuristic.

Manel Baucells - Cristina Rata

"A survey study of factors influencing risk-taking behavior in real-world decisions under uncertainty", *Decision Analysis*, Vol. 3, No 3, September 2006, pages 163-176.

Abstract: With the goal of investigating decision making under uncertainty in real-world decisions, we conduct a survey requiring 261 subjects to describe a recent real-life decision and to answer questions about several dimensions of such decision, including reference-dependence, domain, the default alternative, and the type of consequences. We

confirm a key prediction of prospect theory, namely, that perceiving the sure outcome as a loss increases risk-taking behavior. Such perception of losses also increases the attractiveness (perceived probabilities and estimated consequences) of the risky option. The results also confirm that the domain (professional versus private) of a decision is a factor influencing risk-taking behavior. Risk-taking behavior does not vary across the three groups considered (undergraduates, MBA students, and executives) and does not depend on the type of consequences (monetary or not). We confirm that reference-dependence, and not the default alternative, is the driver of risk-taking behavior.

José M. Campa - Nuno Fernandes

"Sources of gains from international portfolio diversification", *Journal of Empirical Finance*, Vol. 13, Nos 4-5, October 2006, pages 417-443.

Abstract: This paper looks at the determinants of country and industry specific factors in international portfolio returns using a sample of thirty-six countries and thirty-nine industries over the last three decades. Country factors have remained relatively stable over the sample period, while industry factors have significantly increased during the last decade. The importance of industry and country factors is correlated with measures of economic and financial international integration and financial development. Country factors are smaller for countries integrated in world financial markets and have declined as the degree of financial integration and the number of countries pursuing financial liberalizations has increased. Higher international financial integration within an industry increases the importance of industry factors in explaining returns. Economic integration of production also helps in explaining returns. Countries with a more specialized production activity have higher country factors.



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Javier Gómez

"Changes in the dynamic behavior of emerging market volatility: Revisiting the effects of financial liberalization", *Emerging Markets Review*, Vol. 7, No 3, September 2006, pages 261-278, co-authored with Juncal Cuñado and Fernando Pérez de Gracia.

Abstract: In this paper we test whether the dynamic behavior of stock market volatility in six emerging economies changed over the period 1976:01-2004:12. This was a period of transformation for both financial and manufacturing industries in these countries, but also of major financial crisis. Our analysis suggests that changes in volatility behavior, while indeed present, may have been overstated in the past: simple specifications account for most of the dynamics of stock market volatility and therefore become powerful tools for volatility analysis. Additionally, we show that financial liberalization of emerging markets has generally reduced market volatility and news sensitivity.

Víctor Martínez de Albéniz - David Simchi-Levi

"Mean-variance trade-offs in supply contracts", *Naval Research Logistics (NRL)*, Vol. 53, No 7, pages 603-616.

Abstract: We study the trade-offs faced by a manufacturer signing a portfolio of long-term contracts with its suppliers and having access to a spot market. The manufacturer incurs inventory risk when purchasing too many contracts and spot price risk when buying too few. We quantify these risks for a single selling period by studying the profit mean and variance for a given portfolio of option contracts. We characterize the set of efficient portfolios that the manufacturer must hold in order to obtain dominating mean-variance pairs. Among these, we emphasize the maximum expectation portfolio, obtained by solving the classical newsvendor problem, and the corresponding minimum variance portfolio. We show that the upper-level sets of a mean-variance utility function are connected. Hence, a greedy method will find the portfolios on the efficient frontier. Finally, we provide a comparison with standard hedging strategies and show that the approximation associated with financial hedging can be relatively inaccurate.

Francesc Miralles - Sandra Sieber - Josep Valor

"An exploratory framework for assessing open source software", *Systèmes d'Information et Management*, Vol. 11, No 1, September 2006, pages 85-103.

Abstract: In this paper we propose that due to the particularities of the Open Source Software (OSS) development process and its perceived "social" connotations, traditional explanations of IT adoption are insufficient to understand OSS diffusion. Evidence shows that OSS fails in many cases to displace dominant market leaders even where users are unhappy with the current solution, while in other cases OSS is adopted without a clear advantage. Using a qualitative research approach, we highlight the existence of a new context in which the adoption of Linux-based OSS platforms by companies is not led by traditional drivers alone: user communities and broader social responsibility considerations have

been found to exert pressure on IT decision makers. Through analysis of significant cases we propose a framework that helps to depict under what conditions significant OSS adoption may unfold.

David W. Young - Eduardo Ballarín

"Strategic decision-making in healthcare organizations: It is time to get serious", *International Journal of Health Planning and Management*, No 21, October 2006, pages 173-191.

Abstract: New and continuing environmental demands and competitive forces require healthcare organizations to be increasingly careful in thinking about their strategies. They must do so in a highly unusual (multi-actor) marketplace where a variety of system interdependencies complicate decision-making. A good strategy requires an attempt to understand the real (as distinct from the perceived) environment, and is characterized by explicit tradeoffs along three dimensions: service or program variety, patient needs, and patient access. The quality of these tradeoffs can be assessed in terms of whether the strategy is a) attuned to critical success factors in the organization's environment, b) highly focused, c) linked to the organization's capabilities, and d) accompanied by an activity set that is difficult for competitors to imitate. An organization also must be capable of adapting appropriately to changes in its environment. Thus, even the best strategy must be reviewed constantly if it is to remain viable. A strategy's sustainability can be adversely affected by increased buyer or supplier power, lowered barriers to entry, growing rivalry, the threat of substitutes, and increased slack in resource usage. By thinking more creatively in the future than they have in the past, healthcare organizations can make tradeoffs and choose a focused strategic position. They then can design an activity set that is appropriate for that position, and that will assist them to achieve both financial viability and superior programmatic performance. A well-designed activity set also will assist them to sustain their performance in the face of changing environmental demands and competitive forces.

Books

In September 2006, Pearson-Prentice Hall published the book "Gestión en el sector de la salud", Vol. 2, "Elementos de gestión en las instituciones", edited by **Jaume Ribera**, José A. Gutiérrez Fuentes and **Magdalene Rosenmöller**, 673 pages, which contains the following chapters:

Santiago Alvarez de Mon, "Liderazgo y dirección de personas: El liderazgo invisible, clave para la sanidad", pages 357-373.

Abstract: Frente a un paradigma de dirección que pone el acento en la visibilidad y protagonismo del líder, el artículo propone como alternativa un profesional que, desde sus conocimientos,



habilidades y cualidades morales, aspira a liberar el talento y energía humanos de su equipo. La capacidad de hacer crecer a los demás, de hacerse invisible y anónimo, sería la última frontera de un liderazgo volcado al servicio de la sociedad.

Sandalio Gómez, "Gestión del personal: El papel de los recursos humanos y las relaciones laborales en la orientación estratégica del sector sanitario", pages 377-404.

Abstract: Se analizan, en primer lugar, las dos estrategias que cada uno de los modelos sanitarios, el público y el privado, destacan de manera especial: la enfocada al servicio sin cuidar en exceso el coste y la enfocada al coste en primer lugar por encima de otras consideraciones, como si ambas estrategias no fueran compatibles y no fuera necesario encontrar un punto de equilibrio que responda de manera eficaz a las dos dimensiones.

A partir de la estrategia se analiza la situación de los recursos humanos y las relaciones laborales en el sector sanitario en el momento actual y se presentan propuestas que ofrecen soluciones a los problemas que están planteados.

Las distintas políticas de recursos humanos y su impacto en las motivaciones se estudian desde tres planos distintos: el plano material (política de retribución y condiciones de trabajo; contenido de los convenios colectivos y relación con los sindicatos); el plano profesional (selección, formación, promoción, evaluación y desarrollo y carrera profesional) y el plano de los valores (criterios de justicia, estilo de dirección, participación, sentido del proyecto sanitario de que se trate, espíritu de servicio). Se pone de manifiesto la importancia y la necesidad de cuidar las aspiraciones profesionales y económicas de los profesionales de la medicina y ofrecerles el reconocimiento social que se merecen, es decir, impulsar su motivación, su espíritu de superación y de servicio en un sector clave para la salud de los ciudadanos de un país.

Carlos Hermoso de Mena - Rama Velamuri, "Gestión de la tecnología y la innovación", pages 531-546.

Abstract: Basándose en el análisis de los grupos de interés (*stakeholders*), se proponen algunos puntos a tener en cuenta a la hora de difundir innovaciones, sean tecnológicas o de gestión, en las organizaciones sanitarias. A los autores les parece que la problemática en las organizaciones privadas se podría enfocar con estrategias en función de las características de cada una, mientras que la de las organizaciones públicas ha de enfocarse desde una perspectiva sistémica. Piensan que conseguir ese cambio sistémico en las organizaciones públicas es un reto mayor, por lo que se extienden en cómo podría abordarse ese reto. En la sección final se ofrecen algunas reflexiones sobre la innovación en las organizaciones privadas.

Paddy Miller, "Gestión del cambio", pages 487-505.

Abstract: Este capítulo cuestiona la noción generalmente aceptada de que los modelos de gestión del cambio de las

organizaciones empresariales, es decir, organizaciones con ánimo de lucro ajenas al sector sanitario, pueden trasladarse al sector sanitario simplemente aplicando unos pequeños ajustes. El hecho de que más administradores de la salud pública se matriculen en programas de administración de empresas o de dirección general en las escuelas de negocios tiende a corroborar la idea de que los conceptos del cambio de las organizaciones empresariales se están arraigando en el sector sanitario. Sin embargo, la pregunta que se plantea es si las organizaciones asistenciales han mejorado como consecuencia de la implantación de principios de gestión empresariales. Escasean las pruebas concluyentes que demuestren que las buenas intenciones se materialicen en resultados concretos. Este capítulo recoge experiencias personales de haber trabajado dentro y fuera del sector sanitario para explorar todo lo relacionado con la gestión del cambio.

El capítulo examina si las instituciones sanitarias plantean retos especiales a los modelos tradicionales de gestión del cambio. Al tratar con la realidad de los profesionales de la salud, se descubre que los modelos motivacionales simplistas son inadecuados. Ello es así, sobre todo, porque los empleados del sector sanitario están sobrecargados de trabajo, cobrando unos sueldos insuficientes y sufriendo de "fatiga del cambio". El capítulo explora las estrategias de cambio de varias instituciones sanitarias y empresas y extrae algunas conclusiones a partir de lo planteado.

Beatriz Muñoz-Seca, "Aplicando Problem Driven Management (PDM) en entornos de alta cualificación", pages 599-619.

Abstract: Este capítulo está dedicado a entender las diferencias que existen al gestionar personal de alta cualificación. Poco se ha escrito sobre este tema y su importancia se está empezando a vislumbrar en estos albores del siglo XXI. La propuesta de este capítulo es que dicho personal necesita un modelo de gestión diferente. La necesidad de incrementar su productividad y extraer el talento se hace perentoria en el sector sanitario. Para extraer el talento no se pueden aplicar soluciones estándar. Se deben introducir cambios y modificaciones de enfoques de gestión. En este capítulo se presenta el modelo PDM como una respuesta a esta necesidad. El capítulo describe el modelo, identifica las peculiaridades del personal de alta cualificación y propone un enfoque para gestionarles.

Luis Palencia, "Análisis del proceso de toma de decisiones: Un método de resolución de problemas no operativos", pages 509-527.

Abstract: El autor denomina problemas no operativos u operatizables, aquellos para los que no existe una secuencia protocolizada de acciones que los resuelva. Estos problemas constituyen la esencia del quehacer del directivo, esto es, tomar decisiones para evitar efectos no deseados, con información incompleta y estando obligado a hacer concesiones donde la única certeza suele ser que "no hay solución óptima". El artículo propone un modelo de diagnóstico, búsqueda de alternativas y criterios, análisis, síntesis y formulación de un plan de acción. El artículo recrea el proceso que



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se sigue al tomar una decisión, profundizando en las características de cada etapa que coincide precisamente con el diagnóstico, la generación de alternativas, la identificación de límites, el análisis, la elección de una solución y su implantación. El modelo que se plantea no pretende ser un modelo universal, sino proponer una base para que cada decisor adapte, enriquezca o encaje en su circunstancia decisora.

Jaume Ribera - Marc Sachon, "Gestión de operaciones", pages 3-42.

Abstract: Este capítulo se enfoca en el diseño y gestión de procesos operativos. Se inicia presentando los conceptos fundamentales de gestión de procesos, tales como el tiempo de flujo, el recurso cuello de botella, la capacidad del proceso, la ocupación de los recursos, etc. A continuación, los autores describen las curvas *input/output* como un instrumento para entender y gestionar los problemas de ajuste de capacidad de oferta con necesidades de la demanda, instrumento que se completa con la incorporación de variabilidad tanto en la demanda como en los tiempos de atención, y un análisis del impacto que esta variabilidad tiene en la calidad del servicio. El capítulo finaliza con una sección de planificación y programación de recursos y otra de gestión de compras y existencias.

Jaume Ribera - Alejandro Lago - Philip Moscoso, "La prestación del 'servicio' sanitario", pages 79-118.

Abstract: Los centros de salud son organizaciones de servicios en el sentido más clásico. En este capítulo se aborda la concepción y diseño de un servicio adecuado, y se particulariza a la gestión de la empresa sanitaria. Para ello se tienen en cuenta los cambios en el entorno sanitario, tales como las crecientes exigencias de una población con mayor bienestar que está más informada y es más sensible a la calidad médica. En consecuencia, aparece el paciente-cliente, que exige calidad en la intervención quirúrgica y en su cura, pero que además busca una plena satisfacción con sus expectativas de comodidad y trato personalizado durante su estancia en el centro médico. Por otro lado, la constante mejora de la sanidad pública y la aparición de centros privados en régimen de competencia han ampliado sustancialmente la oferta sanitaria. Esta mayor competencia ha hecho que los gestores de los centros sanitarios empiecen a plantearse su oferta de servicio más allá del tratamiento médico como algo importante.

Jaume Ribera, "Gestión de proyectos", pages 121-156.

Abstract: El capítulo describe las diferencias esenciales entre la gestión de procesos y la de proyectos, centrándose en esta última. A continuación, revisa el ciclo de vida de un proyecto, desde la selección inicial de proyectos (teniendo en cuenta tanto la capacidad de ejecución de la institución como el alineamiento estratégico y las dimensiones financieras), pasando por la definición detallada del proyecto (limitando el ámbito del mismo y fijando sus objetivos), por la planificación detallada, la ejecución y

seguimiento del proyecto, para terminar con el aprendizaje organizativo tras su finalización. El capítulo presenta las herramientas esenciales para realizar con éxito cada una de las etapas, y concluye con unas consideraciones sobre aspectos organizativos, incluyendo la definición de la oficina de proyectos.

Jaume Ribera - Marc Sachon - Magdalene Rosenmöller, "Gestión del riesgo", pages 433-459.

Abstract: El capítulo trata de cómo se incorporan los elementos de riesgo en la toma de decisiones, considerando tanto las situaciones de incertidumbre en parámetros (situaciones que sabemos van a ocurrir, pero sobre las que tenemos desconocimiento del valor exacto que tomarán –por ejemplo, los costes de personal dentro de tres años–) como las situaciones de riesgo puntual por eventos (situaciones que tienen una probabilidad baja de ocurrir, pero que pueden tener un impacto alto en caso de que sucedan –por ejemplo, un incendio). El capítulo presenta herramientas para analizar el riesgo, tales como los diagramas de influencia, análisis de sensibilidad, simulación, cuantificación de probabilidades e impactos, etc., así como aspectos más psicológicos, como los de percepción de riesgo. Dedicamos un apartado a seguridad de pacientes y concluye con algunas consideraciones sobre gestión de crisis.

Magdalene Rosenmöller - Jaume Ribera, "Gestión de la calidad", pages 45-78.

Abstract: Los temas de calidad en la atención al paciente y seguridad de esta atención es una de las dimensiones de gestión que, juntamente con el coste, más importante se ha vuelto en la gestión sanitaria. El capítulo revisa las diferentes interpretaciones de calidad en la gestión de la salud, desde las más subjetivas relacionadas con el aspecto artesano de la profesión, pasando por las de satisfacción de clientes, hasta el concepto de calidad total. Se presentan las distintas medidas de calidad y las herramientas habituales para su gestión y mejora. Los autores presentan también los modelos de acreditación de centros sanitarios y concluyen con un repaso de las iniciativas de calidad desarrolladas a nivel europeo.

Josep Valor - Luciano Sáez Ayerra, "Los sistemas de información", pages 407-429.

Abstract: Este capítulo describe los principales rasgos de los sistemas de información necesarios para gestionar adecuadamente un sistema de atención sanitaria. Partiendo de los conceptos y definiciones básicos de los sistemas de información de gestión (SIG) tradicionales, como información centralizada, las ventajas e inconvenientes de los paquetes integrados y la externalización, el capítulo se centra en temas específicos de la atención sanitaria, como los expedientes de pacientes y la medición de la actividad. El capítulo no se limita a los hospitales e instituciones, sino que explora también las características de un sistema de información

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para todo el sistema sanitario, proponiendo vías de definición de estos sistemas para ayudar a mejorar la calidad de gestión y atención.

David W. Young - Antoni García Prat, "La contabilidad financiera", pages 159-199.

Abstract: Los llamados "estados contables" informan sobre el resultado, la situación patrimonial de la empresa y los cambios ocurridos en los recursos captados y empleados por la organización a lo largo de un período de tiempo, habitualmente el año natural. La legislación permite contabilizar un buen número de transacciones de forma alternativa, y por ello la entidad debe explicar con detalle los criterios empleados y asegurar su consistencia a lo largo del tiempo, a fin de permitir la comparabilidad o justificar los cambios. Si bien la dirección obviamente se sirve de esta información, la contabilidad financiera es una de las fuentes de información básicas para terceros externos a la empresa que mantienen frente a ésta intereses legítimos: socios, proveedores, reguladores y autoridades, posibles inversores, etc. El capítulo introduce al lector en los fundamentos básicos para comprender los mencionados estados contables y su confección.

David W. Young - Antoni García Prat, "Contabilidad de gestión", pages 249-274.

Abstract: En este capítulo se introduce al lector en la metodología del cálculo de costes y se le instruye en los criterios relevantes para la toma de decisiones de explotación a corto plazo con información sobre costes, siempre con especial referencia al sector sanitario y sus características distintivas. El texto describe la metodología del método de cálculo del "coste completo" mediante el uso de centros de coste de servicio y misión, uso de bases de reparto y tasas de actividad, así como de las alternativas que ofrece el llamado sistema de costes "basado en actividades". A continuación se dedica especial atención al concepto y uso de los "costes diferenciales", y su utilización preferencial para la toma de decisiones, en comparación con el "coste completo". Los términos "coste variable", "coste fijo" y "punto de equilibrio" se presentan como elementos de ayuda para la determinación de la naturaleza de los costes, y se señala la especial importancia de los aspectos no cuantitativos.

Contributions to books

José M. Campa

"Comment on the co-movement of returns and investment within the multinational firm in Clarida", in the book "International Seminar on Macroeconomics, 2004", edited by R. J. Frenkel, F. Giavazzi and K. West, MIT Press, October 2006, pages 231-234.

Abstract: This paper provides an understanding for the transmission of international business cycles. The paper sets out to address the question whether increased multinational activity in the form of foreign direct investment has led to changes in the synchronization of business cycles. The paper tackles this large question by providing evidence in three specific issues: 1) whether multinational activity is sufficiently important for this task; 2) whether evidence exists of a distinct co-movement of multinational activity different from that of the host country in which these firms operate; and 3) what drives the activity of multinational affiliates in foreign countries, whether mainly host country factors or issues having to do with the multinational firm itself.

Pablo García - Carlos Sánchez-Runde

"Teoría de sistemas y propiedades emergentes en las organizaciones. Una aproximación al estudio de la consistencia interna en los sistemas de gestión de recursos humanos", in the book "Sociología de la empresa y de las organizaciones", edited by Ignasi Brunet and Amado Alarcón, Egido Editorial, October 2006, pages 257-276.

Abstract: En este capítulo, que se publicó previamente en el número inaugural de la *Revista Internacional de Organizaciones*, se repasan las características estructurales de los sistemas de recursos humanos en cuanto que sistemas. Se pone especial atención en los tipos de relaciones entre prácticas de dirección de personas y las dinámicas temporales que afectan a su interacción. Esto permite una mejor comprensión de los efectos de complementariedad y congruencia.

Johanna Mair - Christian Seelos

"The Sekem Initiative: A holistic vision to develop people", in the book "New social entrepreneurship: What awaits social entrepreneurship ventures?", edited by Francesco Perrini, Edgar Elgar, October 2006, pages 210-223.

Abstract: The case describes the complex circumstances surrounding Sekem's decision to grow along the chosen path of holistic development in the social, economic and cultural spheres. It documents the history of the initiative and lays out the major constituents and their internal and external relations. Founded by Ibrahim Abouleish, in 2003 Sekem consisted of three components: the Sekem group of companies, the Egyptian Society for Cultural Development, and the cooperative of Sekem employees. Together, these three branches employed more than 2,000 people. Sekem was also the center of a large network of farmers and companies in Egypt and abroad. It ran a medical center for the local community, a kindergarten, primary and secondary schools, an adult training center, special needs education programmes, and an academy for applied arts and sciences. In 2003, Abouleish won the Right Livelihood Award, also known as the "Alternative Nobel Prize", with Sekem being recognized as a blueprint for organizations in the 21st century.



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The case focuses on growing an organization whose main goal is social value creation. It supports rich discussion on a range of issues. One is entrepreneurship and the way Abouleish gathered various types of tangible and intangible resources as a basis for value creation and overcame hurdles against all odds. Another perspective is that of organizational structure and/or corporate strategy, with a focus on synergies between organizational units. Finally, there is the challenge of growing Sekem to fulfill its 200-year goal of making a significant difference to Egyptian society. Also, the sustainability of the project depends on succession and finding the right person to drive Sekem's development in the future.

Domènec Melé

"¿Cómo se originan los escándalos financieros?", in the book "El paradigma de la ética económica y financiera", edited by Pilar Gómez, Javier Ibáñez and Antonio Partal, *Marcial Pons*, 2006, pages 57-72.

Abstract: Un conjunto de escándalos financieros recientes invitan a preguntarse por su origen. El presente artículo se fija en dos de ellos, aún recientes: los casos Enron y Parmalat. Se sostiene, en primer lugar, que en los comportamientos que dan lugar a escándalos financieros empresariales pueden distinguirse cuatro dimensiones relacionadas entre sí: la primera es la situación en la captación de recursos del entorno, que se activa ante situaciones de necesidad u oportunidad; la segunda estriba en las metas, incentivos y procesos establecidos en la empresa para la toma de decisiones; la tercera se refiere a la regulación y control social existente, tanto externo como interno, y la cuarta incluye la cultura empresarial. En segundo lugar, se presenta la centralidad de las personas y su falta de virtud en la génesis de estos escándalos. Se advierte en la falta de moderación al asumir situaciones de excesivo riesgo, en la falta de justicia en la toma de decisiones, en la falta de fortaleza para establecer las regulaciones oportunas y/o en controlar su cumplimiento y, por último, en la falta de sabiduría práctica en el ejercicio del liderazgo. Se concluye presentando un conjunto de recomendaciones que pueden contribuir a evitar actuaciones fraudulentas en las finanzas empresariales.

José Ramón Pin

"Prólogo" in the book "La propuesta de valor de los recursos humanos", edited by Dave Ulrich and Wayne Brockbank, *Ediciones Deusto*, 2006, pages 9-12.

Abstract: Dave Ulrich, Profesor de la Business School de Michigan University, es en la actualidad la personalidad más importante a nivel mundial en materia de recursos humanos. El profesor Pin realiza un análisis crítico de su último trabajo y apuesta por su lectura, pues considera que será un libro de obligada referencia, lo mismo que en los años noventa lo fue "Human Resources Champion", del mismo autor.

Guido Stein

"Los retos del *management*", in the book "Líderes visionarios y además innovadores", *Ediciones PMP*, September 2006, pages 7-33.

Abstract: El capítulo trata de cómo las nuevas certezas en economía, tecnología y estrategia han obligado a renovar los paradigmas ya asentados acerca del liderazgo. Hoy, el nombre del juego apunta a la productividad, y su apellido, a la creación y gestión del conocimiento. La clave se encuentra en un pensamiento original, entendido en su sentido etimológico, pues en el origen del conocimiento, igual que en el del liderazgo, siempre se halla la persona.

IESE - Working Papers

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Cristina Fernández - Carolina Ortega

LABOUR MARKET ASSIMILATION OF IMMIGRANTS IN SPAIN: EMPLOYMENT AT THE EXPENSE OF BAD JOB-MATCHES?

Abstract: Spain has traditionally been known as a country of emigrants. In the last decade, however, Spain has experienced unprecedented levels of immigration from three areas: Latin America, Africa, and Eastern Europe. In this paper, we study the behavior of recent immigrants in the Spanish labour market, identifying the major differences compared to the native population and tracking whether these differences fade away over the years. With this objective, we focus on four labour market outcomes: labour supply, unemployment, incidence of overeducation, and incidence of temporary contracts. Results show that, compared to natives, immigrants face initially higher participation rates, higher unemployment rates, higher incidence of overeducation and higher incidence of temporary contracts. However, five years after their arrival we could broadly say that participation rates start to converge to native rates, unemployment rates decrease to levels even lower than those of natives, and the incidence of temporary contracts and overeducation remains constant: no reduction of the gap with Spanish workers is observed. Therefore, we conclude that the Spanish labour market is managing to absorb the so-called "immigration boom", but at the expense of allocating immigrants in bad job-matches.

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Gianandrea Staffiero

PEER PRESSURE AND INEQUITY AVERSION IN THE JAPANESE FIRM

Abstract: We present an explanation of the high frequency of team production and high level of peer monitoring found in

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Japanese firms, in terms of a simple and empirically grounded variation in individual utility functions. We argue that Japanese agents are generally characterized by a higher degree, with respect to their Western counterparts, of aversion to unfavorable inequality, a feature which explains seemingly puzzling experimental evidence. In combination with long-term employment and various organizational practices, this creates the conditions for obtaining willingness to exert mutual monitoring and peer pressure, which facilitates the convergence towards cooperative equilibria in dilemma type situations.

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Pablo Fernández - José M^a Carabias

CREACION DE VALOR PARA LOS ACCIONISTAS DE BANKINTER

Abstract: En este documento se cuantifica la creación de valor para los accionistas de Bankinter entre diciembre de 1991 y diciembre de 2005. En ese período, el aumento de la capitalización de Bankinter fue de 2.834 millones de euros, el aumento del valor para los accionistas fue de 4.120 millones de euros; y la creación de valor para los accionistas fue de 2.847 millones de euros (expresado en euros de 2005).

La rentabilidad media anual para los accionistas de Bankinter fue del 17,3%, sensiblemente superior a la del IBEX 35 (14,0%): cada euro invertido en acciones de Bankinter en diciembre de 1991 se convirtió en 9,38 euros en diciembre de 2005, mientras que 1 euro invertido en el IBEX 35 se convirtió en 6,26 euros. La inflación media fue del 3,4%. La rentabilidad para los accionistas de Bankinter fue positiva en nueve de los catorce años analizados.

La capitalización de Bankinter durante estos años osciló entre el 0,83% y el 1,6% de la capitalización del IBEX 35. En diciembre de 1991, Bankinter fue la 18^a empresa por capitalización del IBEX, mientras que en junio de 2006 fue la 22^a empresa.

Bankinter fue el banco más rentable para sus accionistas (entre los 23 bancos internacionales analizados) en el período 2003-2005.

No 647 - September 2006

Miguel A. Gallo - M^a José Estapé

VIABILIDAD DE LAS EMPRESAS FAMILIARES DE TAMAÑO MEDIO EN EL SECTOR ESPAÑOL DE ALIMENTACION Y BEBIDAS

Abstract: El sector español de alimentación y bebidas tiene características que lo hacen muy significativo para el estudio de la evolución a lo largo del tiempo de las empresas familiares. En este proyecto se ha diseñado un modelo de análisis ecológico de la evolución de las empresas desde el Tratado de Adhesión de 1992 hasta el momento actual. El propósito de este estudio es conocer los índices de supervivencia y vitalidad de las empresas familiares, y de esta manera descubrir cómo se hacen fuertes y continúan posicionándose con éxito en los mercados.

Las cuestiones que se plantearán en esta investigación son cuántas empresas familiares habían en el sector en 1992, en un determinado nivel de facturación, y cuántas continúan como familiares en el año 2001. Cómo son las empresas familiares que continúan: fuertes, con una posición consolidada o, por el

contrario, se han debilitado, tienen previstos cambios, etc. En el caso de las empresas que han dejado de ser familiares, conocer las causas de su proceso de transformación, así como también estudiar cuáles son las empresas que han desaparecido del mercado.

No 648 - September 2006

Cristina Fernández - Almudena Sevilla-Sanz

SOCIAL NORMS AND HOUSEHOLD TIME ALLOCATION

Abstract: Economic theories of the household predict that increases in female relative human capital lead to decreases in female housework time. However, longitudinal and cross-sectional evidence seems to contradict this implication. Women's share of home time fails to decrease despite increases in women's relative earnings. The literature has proposed social norms on the household division of labor as an alternative explanation. We use the 2002-2003 Spanish Time Use Survey (STUS) to explore the presence of social norms associated with the household division of housework and childcare. First, we observe that wives who earn more than their husbands still do more than 50% of the housework and childcare. Second, we find that a woman's relative share of housework decreases as her relative earnings increase, but only up to the point where she earns the same as her husband. Finally, independently of the definition of childcare, the relative time devoted to childcare does not vary with spouses' relative earnings. All these findings suggest that social norms may be an important factor in the division of household time.

No 649 - September 2006

Carlos García Pont

ALLIANCES AND INDUSTRY ANALYSIS

Abstract: Traditionally, alliances have been left out of industry analysis. We focus basically on the economic factors that determine bargaining power in relationships between actors in a value system. The paper proposes a method for analyzing industries from a very different perspective that includes alliances as one of the main drivers of industry structure.

No 650 - September 2006

Vanessa Strauss Kahn - Xavier Vives

WHY AND WHERE DO HEADQUARTERS MOVE?

Abstract: This paper analyzes decisions regarding the location of headquarters in the U.S. for the period 1996-2001. Using a unique firm-level database of about 30,000 U.S. headquarters, we study the firm and location-specific characteristics of headquarters that relocated over that period. Headquarters are increasingly concentrated in medium-sized service-oriented metropolitan areas, and the rate of relocation is significant (5% a year). Larger (in terms of sales) and younger headquarters tend to relocate more often, as do larger (in terms of the number of headquarters) and foreign firms, and firms that are the outcome of a merger.



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Headquarters relocate to metropolitan areas with good airport facilities with a dramatic impact, low corporate taxes, low average wages, high level of business services, same industry specialization, and agglomeration of headquarters in the same sector of activity, with all agglomeration variables having an important and significant impact.

No 651 - September 2006

José M. Campa - Angel Gavilán

CURRENT ACCOUNTS IN THE EURO AREA: AN INTERTEMPORAL APPROACH

Abstract: This paper uses an intertemporal model of the current account to evaluate the fluctuations in current account balances experienced by Euro area countries over the last three decades. In the model, current account balances are used to smooth consumption and are driven by expectations about future income and relative prices. This simple model is not rejected for six (Belgium, France, Italy, Netherlands, Portugal, and Spain) of the ten Euro area countries examined, although it tends to underestimate their current account volatility. The analysis also shows that the relative contributions to current account balances of future output and relative prices differ across countries. Expectations of future growth increased in all Southern European countries at the creation of the Euro but had considerably diverged by 2005. While in Portugal these expectations are now below their historical mean, in Spain they are at a historical high.

No 652 - September 2006

Gianandrea Staffiero

HELPING THE MEANER, HURTING THE NICER: THE CONTRIBUTION VERSUS DISTRIBUTION GAME

Abstract: Wide experimental evidence shows that people do care about their opponents' payoff during social interaction. Our research aims to shed light on the relative importance of different motives in non-selfish choices highlighted in the recent literature. After a standard public-good game, one player is given the possibility to increase or decrease his opponent's payoff. While our baseline treatment replicates the tendency to hurt richer but lower-contributing players and help poorer but higher-contributing players, if we add exogenous assignments we find substantial willingness to hurt the rich, even if they have contributed more, and to help the poor, even if they have contributed less. These results show a greater focus on correcting inequality than on punishing or rewarding particular behavior. Moreover, we also find that subjects disregard efficiency, in terms of the overall "pie" to be shared. Overall, our data support inequality aversion as a more robust phenomenon than reciprocity and efficiency considerations.

No 653 - September 2006

José M. Campa - Linda S. Goldberg

PASS-THROUGH OF EXCHANGE RATES TO CONSUMPTION PRICES: WHAT HAS CHANGED AND WHY?

Abstract: In this paper, we use cross-country and time series evidence to argue that retail price sensitivity to exchange rates may have increased over the past decade. This finding applies to traded goods, as well as to non-traded goods. We highlight three reasons for changing pass-through at the level of retail prices of goods. First, pass-through may have declined at the level of import prices, but the evidence is mixed over types of goods and countries. Second, there has been a large expansion of imported input use across sectors. This means that the costs of imported goods as well as home tradable goods have heightened sensitivity to import prices and exchange rates. The final channel we consider is whether there have been changing sector expenditures on distribution services, with the direction of change negatively correlated with pass-through into final consumption prices. We find that this channel, which has been a means of insulating consumption prices from import content and exchange rates, has not systematically changed in recent years. The balance of effects weighs in favor of increased sensitivity of consumption prices to exchange rates, even if exchange rate pass-through into import prices has declined for some types of goods.

No 654 - October 2006

Josep M. Rosanas

BEYOND ECONOMIC CRITERIA: A HUMANISTIC APPROACH TO ORGANIZATIONAL SURVIVAL

Abstract: There are many, often mutually inconsistent, theories about organizations that explain organizational phenomena to the same, limited extent. Most of them ignore the ethical dimension completely. In this paper we propose the basic principles for a theory of decision-making in organizations that has ethics at its core. This theory is based on the work of Juan Antonio Pérez López (1991, 1993) and is essentially a humanistic view of the interrelationships between people and their implications for organizational decision-making. First, we show how, in any interrelationship between two people, what each person learns is crucial to the future of the relationship. We then consider the different aspects of what each person learns. Second, we apply the preceding analysis to the organizational context, as a guide to organizational decision making, and show how any decision in an organization needs to be analyzed in terms of three criteria: short-run effectiveness, development of distinctive competence, and unity and identification of employees with the organization.

No 655 - October 2006

Franz Heukamp - Heinrich Liechtenstein - Nick Wakeling
DO BUSINESS ANGELS ALTER THE RISK-RETURN EQUATION IN EARLY STAGE INVESTMENTS?

Abstract: Venture capitalists in German-speaking countries do not value the contribution of business angels in co-invested deals. Business angels do not reduce the risk perceived by venture capitalists in early-stage deals, even if the business angels have what venture capitalists regard as an ideal profile. Venture capitalists also refute that deals with business angels typically

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generate higher internal rates of return than deals without business angels.

No 656 - October 2006

Antonio Argandoña

THE UNITED NATIONS CONVENTION AGAINST CORRUPTION AND ITS IMPACT ON INTERNATIONAL COMPANIES

Abstract: Corruption is a serious economic, social, political and moral blight, especially in many emerging countries. It is a problem that affects companies in particular, especially in international commerce, finance and technology transfer. And it is becoming an international phenomenon in scope, substance and consequences. That is why, in recent years, there has been a proliferation of international efforts to tackle the problem of corruption. One such international cooperative initiative is the United Nations Convention against Corruption, signed in 2003, which came into force in December 2005. This is the first truly global instrument to prevent and combat corruption, built on a broad international consensus. The purpose of this article is to explain the origin and content of the Convention, what it adds to existing international instruments for combating corruption, and its strengths and weaknesses, mainly from the point of view of companies.

(Also available in Spanish.)

No 657 - October 2006

Pablo Fernández

THE EQUITY PREMIUM IN FINANCE AND VALUATION TEXTBOOKS

Abstract: This paper is a review of the recommendations about the equity premium found in the main finance and valuation textbooks. We review several editions of books written by authors such as Brealey and Myers; Copeland, Koller and Murrin (McKinsey); Ross, Westerfield and Jaffe; Bodie, Kane and Marcus; Damodaran; Copeland and Weston; Van Horne; Bodie and Merton; Stowe et al.; Pratt; Penman; Bruner; Weston & Brigham; and Arzac.

We highlight the confusing message the textbooks convey regarding the equity premium and how it changes.

The main confusion arises from not distinguishing among the four concepts that the term "equity premium" designates: Historical equity premium (HEP), Expected equity premium, Required equity premium (REP) and Implied equity premium (IEP).

Some confusion also arises from not recognizing that although the HEP is equal for all investors, the REP, the EEP and the IEP are different for different investors. A unique IEP requires assuming homogeneous expectations for expected growth (g), but there are several pairs (IEP, g) that satisfy current prices. We claim that different investors have different REPs and that it is impossible to determine the REP for the market as a whole, because it does not exist.

Other publications

Adrian Done

"Deep sea fishing", *CPO Agenda. The Business Review for Procurement Leaders*, Vol. 2, No 3, Autumn 2006, pages 28-33.

Abstract: Pressure to raise performance means that CPOs are having to venture into uncharted waters. And yet, argues academic Adrian Done, after years of splashing around in rock pools, most purchasing functions lack the competences they need to land bigger fish in the deep sea.

Improving competence levels seems to be the obvious solution. In practice, however, there are two problems: first, "competence" is not as straightforward a concept as it appears, since it is both multi-dimensional and context-specific; and second, the impact of competences on performance often is not properly considered. The danger is that organizations fall into "competence traps", where development efforts stall or even have a negative impact.

Pilar García Lombardía - Kimio Kase - José R. Pin

"Presidentes transformadores. Claves del éxito de la banca española", *Harvard Deusto Business Review*, No 150, October 2006, pages 44-54.

Abstract: El artículo analiza la importancia de la forma del pensamiento de los CEO's en los resultados de las compañías, distinguiendo entre los PIF (*Proto-Image of the Firm*) de los PA (*Proto Arithmetic*). Después aplica ese concepto a la banca española y analiza su desarrollo, a la vista del esquema teórico mencionado, en función de las características de sus CEO's.

Pankaj Ghemawat

"Apocalypse now?", *Harvard Business Review*, Vol. 84, No 10, October 2006, page 32.

Abstract: Predictions of global economic integration are at odds with the facts: most types of economic activity that might cross borders are still largely focused at home.

Philip Moscoso

"Innovar en operaciones, fuente de ventaja competitiva", *Universia Business Review*, No 11, third quarter 2006, pages 62-73.

Abstract: Innovar en operaciones –no simplemente su mejora continua– significa idear formas completamente nuevas de operar. Esta ha sido una de las claves de muchos de los grandes éxitos que el mundo empresarial ha escrito, como por ejemplo los casos de Dell, Toyota o Zara. La innovación operativa es una fuente de ventaja competitiva relativamente fiable, de poco riesgo, y sobre todo de máxima actualidad, porque cada vez más la partida contra nuestros competidores transcurre en el tablero de las operaciones. Pero la clave para conseguir buenas innovaciones en operaciones no está



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tanto en las inversiones en tecnologías y otros medios, sino, sobre todo, en romper esquemas mentales y culturales en las empresas.

Ignacio Urrutia – Kimio Kase – Carlos Martí – Magdalena Opazo

"El mapa estratégico del Real Madrid: El arte de construir una marca", *Estrategia Financiera*, No 231, September 2006, pages 10-18.

Abstract: El objetivo principal del artículo es ofrecer una nueva utilidad del *Balance Scorecard* (BSC) y el mapa estratégico. En general, el BSC proporciona una respuesta simple, pero eficaz, a las preguntas: ¿qué tiene que hacer la organización para tener éxito? y ¿cómo podemos alinear a cada empleado con los objetivos estratégicos de la dirección? Dentro del BSC se utiliza el mapa estratégico como la representación gráfica de la estrategia de la empresa, ordenada en función de cuatro perspectivas (financiera, cliente, procesos internos, aprendizaje e infraestructuras), que permite visualizar, a través de las relaciones causa y efecto, la coherencia de los objetivos que se quieren alcanzar para el plazo de vigencia del plan estratégico. Aunque los mapas estratégicos han sido considerados como una herramienta de análisis interno, se va a utilizar como herramienta que permite construir el pensamiento estratégico de un competidor y también para describir el pensamiento estratégico del ex presidente del Real Madrid Florentino Pérez.

Para poder llegar a este desglose se ha realizado, previamente, un análisis de los discursos que ofreció Florentino Pérez desde su elección en el año 2000 hasta su última junta de socios compromisarios en 2005.

Conferences and Seminars

Antonio Argandoña

On September 18-20, attended, in Pamplona, the Interdisciplinary Colloquium entitled "Sobre la identidad cristiana. Valores cristianos y sociedad civil", organized by Universidad de Navarra, where he presented the paper "La identidad cristiana del directivo de empresa".

Abstract: La identidad del empresario y del directivo de empresa es importante para la concepción de la sociedad. Viene definida, primero, por su identidad como persona y como cristiano, y segundo, por la función social que desempeña como directivo de actividades económicas, a partir de su vocación a cooperar con el proyecto de Dios en el mundo mediante el trabajo.

On September 21-23, attended, in Vienna, the 19th EBEN Annual Conference on the subject "Ethics in and of global organisations", where he presented the paper "The United Nations convention against corruption and its impact on international companies".

Abstract: Corruption is a serious economic, social, political and moral blight, especially in many emerging countries. It is a problem that affects companies in particular, especially in international commerce, finance and technology transfer. And it is becoming an international phenomenon in scope, substance and consequences. That is why, in recent years, there has been a proliferation of international efforts to tackle the problem of corruption. One such international cooperative initiative is the United Nations Convention against Corruption, signed in 2003, which came into force in December 2005. This is the first truly global instrument to prevent and combat corruption, built on a broad international consensus. The purpose of this article is to explain the origin and content of the Convention, what it adds to existing international instruments for combating corruption, and its strengths and weaknesses, mainly from the point of view of companies.

On October 5-7, attended, in Rome, the 6th International Symposium on Catholic Social Thought and Management Education, entitled "The Good Company. Catholic Social Thought and Corporate Social Responsibility in Dialogue", where he presented the paper "From ethical responsibility to corporate social responsibility".

Abstract: Corporate social responsibility is a concept on the rise, but also a heavily criticized one. Basically, it suffers from a crucial weakness: it has no generally accepted, common framework. Consequently, it remains an amalgam of descriptive, instrumental and normative proposals, based on mutually incompatible ethical, sociological and economic theories. This article starts from the concept of responsibility as a moral category. It discusses the meaning and content of responsibility in a conceptual framework capable of providing a solid foundation for social responsibility, consistent with a view of the organization and an ethical theory.

On October 13-14, attended, in Cergy-Pontoise, the EIASM Workshop on The Moral Foundations of Management Knowledge, where he presented the paper "Economics, ethics and anthropology".

Abstract: The starting point of economics is a theory of human action. The neoclassical paradigm (the most widely adopted) emphasizes the aspects of human action that have to do with choosing between alternative means to given ends (as traditionally defined by economics), with the goal of maximizing efficiency. This in turn has led to the development of a science largely divorced from ethics, namely the normative science of human action focused on achieving man's ends. The experts have yet to agree on what those ends are, and it is very unlikely that they ever will. However, those ends must encompass the ends of economic action, at least as part of general human conduct. Accordingly, any reflection on the theory of action in which the emphasis has been placed on economics should be capable of facilitating reflection on the ethics of human conduct. Likewise, the contributions of ethics should guide a rethinking of the economic paradigm of human action. The purpose of this paper is precisely to develop the

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aspects of the theory of action that may help us rewrite the basic principles of economic science from an ethical viewpoint, and improve our understanding of the nature of ethics as a normative science of human action from an economic viewpoint.

Africa Ariño

On October 26-27, attended, in Nijmegen (Netherlands), the Strategy and Alliance Center Workshop on Cooperation as a Driver of Innovation, where she presented the paper "Closing the deal: the role of termination provisions in outsourcing partnerships", co-authored with Jeffrey J. Reuer, Kyle Mayer and Juan Jané.

Abstract: We analyze the influence that the complexity of termination provisions and the existence of prior ties between partners have on the ability of outsourcing partners to reach agreement quickly, as reflected in their negotiation time. We examine different aspects of termination provisions, and find that distinct classes of termination provisions have different effects on the time it takes outsourcing parties to reach agreement. The evidence also indicates that prior ties are most beneficial when negotiating complex termination provisions and are less useful in the absence of these provisions. Prior ties therefore moderate the effects of complex termination provisions on negotiation time.

José M. Campa

On September 18, attended, in Valencia, the conference on "Integración financiera, competencia bancaria y crecimiento económico", organized by IVIE, where he presented the paper "M&A performance in the European financial industry".

Abstract: This paper looks at the performance record of M&As in the European Union financial industry in the period 1998-2002. First, the paper reports evidence on shareholder returns from mergers. Merger announcements implied positive excess returns to target company shareholders around the date of the announcement, with a slight positive excess return for the 3-month period prior to the announcement. Returns to shareholders of the acquiring firms were essentially zero around announcement. One year after the announcement, excess returns were not significantly different from zero for both targets and acquirers. The paper also provides evidence on changes in operating performance for the subsample of mergers involving banks. M&As usually involved targets with below-average operating performance for their sector. Mergers resulted in significant improvements in target banks' performance beginning, on the average, two years after the transaction was completed. Return on equity of the target companies increased by an average of 7%, and these firms also experienced efficiency improvements.

Toni Dávila

On September 28-29, attended, in Córdoba, the XII Encuentro AECA, on the theme "La eficiencia en el gobierno y la gestión de la mediana empresa", where he presented the paper "Por qué las

jóvenes empresas adoptan herramientas de contabilidad de gestión y su impacto en el crecimiento".

Abstract: Uno de los principales retos a los que se enfrentan jóvenes empresas en crecimiento es aprender a dirigir con herramientas de gestión en lugar de a través de las interacciones informales características de empresas pequeñas. En empresas con capital riesgo es frecuente que esta primera crisis de crecimiento conlleve el reemplazo del director. En este artículo de investigación se estudia el proceso de adopción de herramientas de contabilidad de gestión y sistemas de control en empresas jóvenes de alto crecimiento. Usando una muestra de 78 empresas de la costa oeste de Estados Unidos, el artículo describe el proceso de adopción de ocho clases de sistemas de control: planificación financiera, evaluación financiera, planificación de recursos humanos, evaluación de recursos humanos, planificación estratégica, sistemas de control en desarrollo de productos, en gestión comercial y en gestión de alianzas. El artículo también examina la relevancia de estas herramientas para el crecimiento de las empresas.

Javier Estrada

On October 11-14, attended, in Salt Lake City, the Annual Meeting of the FMA (Financial Management Association), where he presented the paper "The Fed model: The bad, the worse, and the ugly".

Abstract: The negative relationship between stock market P/E ratios and government bond yields seems to have become conventional wisdom among practitioners. Both limited empirical evidence and a misleading suggestion that the model originated in the Fed are used to support the model's plausibility. This article argues that the Fed model is flawed from a theoretical standpoint and reports evidence from 20 countries that casts serious doubt on its empirical merits. Despite its widespread use and acceptance, the Fed model is found to be a failure both as a normative and as a positive model of equity pricing.

He also acted as discussant of the paper "Trading volume trend, investor sentiment and stock returns".

Joan Fontrodona

On September 11-12, attended, in Milan, the 5th Annual Colloquium of the European Academy of Business in Society (EABIS), where he presented the paper "Incorporating CSR and stakeholder management into corporate strategy: The CAN experience 2002-2006", co-authored with Iñaki Vélaz and Alejo J. Sison.

Abstract: The paper presents the new strategy of Caja Navarra and the central role of corporate social responsibility within this strategy. In the context of the Spanish financial system, the paper discusses the main features of savings banks and highlights some of the problems facing the industry. After this, the paper focuses on Caja Navarra, outlines the main pillars of its strategy, and



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explains the role of CSR and customers as the central stakeholders. Finally, the paper focuses on one pillar, the "You Choose, You Decide" program: its rationale, its projected phases, and the results to date.

During the General Assembly held on 12 September, he was elected to the Academic Board of the European Academy of Business in Society (EABIS).

On September 21-23, attended, in Vienna, the 19th EBEN Annual Conference on the subject "Ethics in and of global organisations", where he presented the paper "The great neglected: Vindicating moral habits in the European qualification framework model (EQF)", co-authored with Manuel Guillén and Alfredo Rodríguez Sedano.

Abstract: Various international authorities have insisted on the importance of ethical learning for professionals in higher education, including students of business administration. At present, with the process of creating a European higher education space well under way, ethical learning has been explicitly made a part of the common qualifications framework (EQF). However, the authors of this study argue that given the focus of the proposed model, centred on learning outcomes, the importance and relevance of ethical qualifications has been diminished. Based on a more accurate definition of "competences" to include the acquisition of habits, the authors propose that the concept of "moral habit" be reintroduced, in order to achieve a better understanding of the concept of "moral competence", together with the "cognitive competence" and "functional competence" described in the EQF.

Angela Gallifa - José R. Pin - Miguel Quintanilla

On September 10-13, attended, in Montpellier, the CLADEA 2006 Annual Meeting, where they presented the paper "Los planes de acompañamiento social en España: Recomendaciones para su buen uso y eficacia".

Abstract: La globalización está dando lugar a deslocalizaciones. En España, estas deslocalizaciones se están produciendo con la consiguiente destrucción de empleo. Para paliar estos efectos negativos de la pérdida de empleo, la legislación española obliga en estos casos de grandes despidos a proveer el expediente de regulación de empleo de un plan social que lo acompañe, con el objetivo de crear soluciones al problema causado. En el presente estudio se propondrán una serie de acciones que incluyen desde los agentes sociales a los trabajadores; parece claro que se puede concluir diciendo que la previsión dentro de las empresas es la mejor manera para paliar los posibles efectos negativos de las reestructuraciones.

Germán López Espinosa

On October 18-20, attended, in Madrid, the workshop "I Jornada REFC - V Workshop de investigación empírica en contabilidad

financiera", organized by Universidad Autónoma de Madrid and Universidad de Valencia, where he presented the paper "The influence of accounting standards on valuation models: An application to the Fama-French model", co-authored with Javier Gómez Biscarri.

Abstract: We analyze the effect of cross-country differences in accounting standards on the empirical performance of financial pricing models. We show how the lack of uniform accounting standards across countries generates inconsistent estimates of the model parameters, and leads to rejection of the validity of the model. As an empirical application, we analyze how differences in accounting standards affect the performance of the Fama-French (1993) three-factor pricing model. We show that the F-F model is accounting-specific: it works better the more homogeneous the data are in terms of accounting standards. This result has an important empirical corollary: the model accounts extremely well for the cross-country returns of firms following IASB standards.

Johanna Mair

On October 22-25, attended, in Cleveland, the Conference on "Business as an agent of world benefit: Management knowledge leading positive change", organized by Global Forum, where she presented the paper "Profitable business models and market creation in the context of deep poverty: A strategic view", co-authored with Christian Seelos.

Abstract: Framing entry into underdeveloped countries as a business opportunity is conceptually appealing. While previous work on strategies to pursue the bottom level of the global income pyramid has shifted paradigms about poverty, the focus in this paper is to move on from the "whether to do it" question to contribute to a better understanding of "how to do it" from the perspectives of corporate and competitive strategy. Using three cases, two from Bangladesh and one from India, insights are generated into how business models can be structured and executed to generate the necessary profits for companies to justify investments in market entry and market building, while at the same time integrating and serving the poorest and their unique needs. The authors explicitly focus on how to recognize access and configure resources that local pioneers have already built in extremely poor countries. The aim of this paper is not to develop prescriptions but to generate ideas about the opportunities available to companies working in tandem with local entrepreneurial organizations to build business models that are able to achieve multiple strategic objectives concomitantly.

She also chaired the panel "How can educational institutions best support and encourage social entrepreneurship?".

Carlos Martí

On September 6-9, attended, in Nicosia, the 14th EASM Congress, where he presented the paper: "Replicability assessment of Real Madrid's strategy from the resource-based

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view of the firm perspective", co-authored with Ignacio Urrutia, Kimio Kase and Angel Barajas.

Abstract: In the strategy field, resources are considered essential to gain a competitive edge. Thus, the resource-based view of the firm (RBV) contributes to our understanding of the competitiveness of professional sports teams, helping to explain organizational performance through the quantity and quality of the firm's endowment of firm-specific resources. Secondary data, text data mining and interviews with industry experts helped us to examine the success and failure of a sport club through a more holistic perspective than the traditional frameworks used for this purpose. The analysis shows that during Florentino Pérez's presidency, Real Madrid followed a strategy based on minimization of sporting risk through financial and economic consolidation, possibly to the detriment of sporting excellence. Our thesis is that certain reflections and components of the strategic approach could be used by other organisations, which signifies that replicability of management expertise is not "out of reach" for other clubs.

Domènec Melé

On October 5-7, attended, in Rome, the 6th International Symposium on Catholic Social Thought and Management Education "The Good Company: Catholic Social Thought and Corporate Social Responsibility in Dialogue", where he presented the paper "Mainstream theories on normative corporate social responsibility: Analysis from Catholic social thought".

Abstract: In spite of the variety and complexity of approaches to CSR, some proposals have become mainstream theories of normative corporate social responsibility. The following stand out: a) corporate social performance theory; b) fiduciary capitalism theory; c) stakeholder theory; and d) corporate citizenship theory. These theories generally presuppose a certain vision of the human being, the firm and society, within a social philosophy framework, though sometimes only implicitly. Catholic social teaching (CST) also has a vision of the human being, the firm and society which can be compared with these mainstream theories of CSR. The purpose of this paper is to outline the philosophical bases of the above-mentioned theories of CSR, and then to evaluate these bases from the viewpoint of Catholic social teaching.

On October 14-15, attended, in Cergy-Pontoise, the Workshop "Opening the Black Box: Moral Foundations of Management Knowledge", organized by the European Institute for Advanced Studies in Management (EIASM), where he presented the paper "Intellectual evolution of strategic management and its relationship with ethics and social responsibility", co-authored with Manuel Guillén.

Abstract: The main purpose of this paper is to present an overview of the historical development of strategic management through a critical review of the most relevant theoretical proposals, and to consider its links to ethics and corporate social responsibility. From the very beginning of strategic management, thought attempts

have been made to fuse ethical aspects such as the values of senior management or social values or social expectations to strategic management. More recently the stakeholder view of the firm has permitted the introduction of ethical theories into strategic management, and the resource-based view of the firm has led to the consideration of competences, including moral virtues. In this paper we argue that in spite of some advances, the integration of ethics into strategic management is not yet entirely satisfactory. We suggest there is a need for new directions to focus the integration of ethics and strategic management.

Magdalena Opazo

On September 6-9, attended, in Nicosia, the 14th EASM Congress, where she presented the paper "Sport organizations structure: Trend and evolution in the research field", co-authored with Sandalio Gómez.

Abstract: The relation between organizational studies and sports has already been studied by several authors, who have used sports to illustrate organizational phenomena such as loyalty, performance, reward systems, managerial succession, motivation, organizational objectives, interorganizational networks, and organizational strategy, among others. We carry out a literature review in order to answer the following questions: what are the central issues underlying research into the structure of sport organizations? And what are the main contributions and future challenges for research in this area? The paper looks at research into organizational phenomena in sports, specifically those related to sports organizations' structural characteristics. This literature review is part of a wider program of research under way at the CSBM in which we are studying the structural characteristics of professional sports organizations in Spain.

Javier Quintanilla

On September 11-14, attended, in Lima, the IIRA 14th World Congress, where he presented the paper "The diffusion of employment practices in multinationals: 'Americanness' within US MNCs in Spain?", co-authored with Anthony Ferner and Lourdes Susaeta.

The paper presents the results of an empirical study which we analyze the reasons that lead US MNCs to transfer their HRM practices to their Spanish subsidiaries. We observe how the tight control that American MNCs usually exert over their subsidiaries has recently been increased in order to cope with various challenges. The implementation of corporate HR policies has been achieved mainly thanks to the relative malleability and openness of the Spanish business system, and the legitimacy given to managerial HR practices originating in the US. However, the host country effect (Spanish institutional framework) and the subsidiary actor's response result in a hybridization of the US practices during the internalization process. The paper is also intended to contribute to the theory that allows us to understand the need to fit strategic choice with institutional theory in studying the transfer of practices within MNCs.



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On September 18-21, attended, in Montreal, the Annual Meeting, organized by HEC Montréal Salle, where he presented the following papers:

"What's local? What's global?: HR practices in global firms operating in Spain".

Abstract: In this paper we discuss the nationality effect in human resource management by multinational companies (MNCs). After reviewing relevant literature in the institutionalist tradition and on national business systems, we assess the features of national environments that are most likely to influence MNC behavior. Using the results of an empirical study analyzing the rationale behind MNCs' attempts to transfer their HRM practices to their Spanish subsidiaries, we explore the tension between the requirements of globalised operations and the characteristics MNCs acquire from their home environment.

"Methodological approaches for the understanding of work and employment in multinational firms".

Abstract: In recent years a large number of studies have concentrated on the interplay between MNCs, home and host countries and HRM practices, producing a distinctive line of inquiry within the international HRM field. Nevertheless, the debate is still in the development stage, with major limitations at both methodological and theoretical levels. This paper discusses how longitudinal and historical cases studies can help to understand what is behind this complex phenomenon, investigating how and why they took place. A more sophisticated analysis is proposed, focusing on the underlying processes and their explanations.

Lourdes Susaeta - José Ramón Pin

On September 10-13, attended, in Montpellier, the CLADEA 2006 Annual Meeting, where they presented the paper "Los cuatro prismas de la diversidad: Una perspectiva integradora".

Abstract: El incremento de la diversidad cultural en la plantilla es uno de los retos más importantes a los que se enfrentan actualmente los directivos de las empresas en cuanto a sus políticas de personal. En este artículo se analizan las distintas perspectivas teóricas que analizan el tema de la diversidad en las organizaciones. La teoría de los recursos cognitivos y la teoría del capital social explican los aspectos positivos que ésta tiene sobre el desempeño de los equipos de trabajo. La teoría del paradigma similitud-atracción y la teoría de la identidad social presentan los aspectos adversos de la misma. Para cada teoría se hace una revisión de la literatura en cuanto a sus aspectos teóricos, así como a la evidencia empírica que sustenta sus postulados en el mundo empresarial. Estas aproximaciones teóricas, que dan nombre al artículo como los cuatro prismas de la diversidad, son complementarias entre sí. Como conclusión de su análisis, se plantea que no es la diversidad en sí misma lo que es positivo o negativo para la organización, sino "la eficaz dirección de la diversidad", lo que potencialmente puede traducirse en buenos

resultados para esta, destacando los aspectos positivos de la diversidad y minimizando el impacto de los negativos.

Lourdes Susaeta

On September 28-30, attended, in Berlin, the IFSAM 8th World Congress 2006, where she presented the paper "The five phases in the transfer of HR policies and practices within MNCs".

Abstract: In light of the tensions that arise when multinational companies (MNCs) attempt to transfer their HR policies and practices to foreign subsidiaries, we take an in-depth look at the factors affecting this transfer. We divide the transfer process into five phases, ranging from the configuration of HR policies and practices in the mother company to their internalization by the subsidiaries' employees. We analyze this process from six theoretical approaches and present the working hypothesis derived from this model of analysis.

On September 4th, the conference "XXII Jornadas de Economía Industrial", organized by SP-SP Center, was held at IESE in Barcelona, where, among others, the following presentations were given:

Manel Baucells

"Predicting utility under satiation and habituation", co-authored with Rakesh K. Sarin.

Abstract: We introduce a discounted utility model that accounts for both habituation and satiation in intertemporal choice. We show that habituation and satiation capture distinct aspects of dynamic preferences. Habituation level and satiation level are state variables that induce changes in preferences as those states vary. We examine several properties of our model, discuss willingness to pay for an additional unit of consumption, and characterize the optimal consumption path. Predicted utility under projection bias and narrow bracketing is compared to actual realized utility. We argue that projection bias and narrow bracketing successfully explain the hedonic treadmill, and several other observed phenomena, in the research area of happiness and life satisfaction.

José M. Campa

"The reaction by industry insiders to M&As in the European financial industry", co-authored with Ignacio Hernando.

Abstract: This paper looks at the reaction by industry insiders, industry analysts and competing firms to the announcement of M&As that took place in the European Union financial industry in the period 1998-2002. Analysts covering firms involved in an M&A transaction do not significantly alter their recommendation, which is consistent with the hypothesis that on the average the transaction is "fairly priced" and that stock market prices reflect all relevant information on the assets. We also find that the correlation between excess returns for acquirers and competing

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firms is positive for domestic mergers and significantly higher than for international mergers.

Miguel Cantillo

"Private banks and corporate control: A re-examination of the Armstrong investigation".

Abstract: This article analyzes the Armstrong investigation in 1905, and studies the political currents that eventually prevented private banks from being activist shareholders in the United States. The paper analyzes the market reaction to the withdrawal of a prominent private bank –Kuhn Loeb– from the board of several railroads. The event study shows that although Kuhn Loeb added significant shareholder value by being actively involved in non-financial companies, most of that value came from reducing industry competition.

Bruno Cassiman

"Innovation and the export-productivity link", co-authored with Elena Golovko.

Abstract: In this paper, we explore the relationship between innovation activity, productivity, and exports using a panel of Spanish manufacturing firms for 1990-1998. Our results –based on non-parametric tests– suggest that firm innovation status is critical in explaining the positive export-productivity association documented in prior research. For the sample of innovating firms, we find no significant differences in productivity levels between exporters and non-exporters. Especially product innovation seems to explain this positive association between exports and productivity. For non-innovating firms, however, exporting firms continue to exhibit higher productivity than nonexporting firms.

Awards

Antonio Argandoña

On September 11, 2006, was finalist in the *Faculty Pioneer Awards 2006*, given by the European Academy of Business in Society (EABIS) and the Aspen Institute.

The IESE Alumni Association has announced the Fifth Edition of the Research Excellence Awards. This year, awards have been granted to the following professors:

Manel Baucells, in the Best Course category, for his course on "Managerial decision models", which was selected from three new courses taught in the MBA program.

Bruno Cassiman, in the Best Academic Article category, for his article "In search of complementarity in innovation strategy: Internal R&D and external knowledge acquisition", published in *Management Science Journal* in January 2006. This article was chosen from among ten others for its relevance to strategic innovation drivers.

Toni Dávila, in the Best Book category, for his book "Making innovation work", published by *Wharton School Publishing*, in collaboration with Marc Epstein and Robert Shelton. This title was chosen from the eight books nominated.

IESE – Research Seminars

Economics

September 26

Speaker: Philippe Bacchetta, University of Lausanne

"Incomplete information processing: A solution to the forward discount puzzle"

Abstract: The uncovered interest rate parity equation is the cornerstone of most models in international macro. However, this equation does not hold empirically since the forward discount, or interest rate differential, is negatively related to the subsequent change in the exchange rate. This forward discount puzzle implies that excess returns on foreign currency investments are predictable. Motivated by the fact that even today only a tiny fraction of foreign currency holdings are actively managed, we investigate to what extent incomplete information processing can explain this puzzle. Two types of incompleteness are considered: infrequent and partial information processing. We calibrate a two-country general equilibrium model to the data and show that incomplete information processing can fully match the empirical evidence. It can also account for several related empirical phenomena, including that of "delayed overshooting". We also show that incomplete information processing is optimal. Predictability is largely overshadowed by uncertainty about future exchange rates, so that the welfare gain from actively managing foreign exchange positions is small and easily outweighed by a small cost of active portfolio management.

General Management

September 21

Speaker: Giuseppe Soda, SDA Bocconi University School of Management

"The genesis of structure: Where do structural holes come from?"

Abstract: Where do social networks come from? Despite the surge in interest in social networks, we still know fairly little about how and why social structures are formed, what leads to certain patterns of interactions, what factors initiate and alter constellations of



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interactions, and why certain actors occupy particular positions in social structure. While some scholarly understanding exists of the factors that influence the formation of relationships between entities, an unanswered research question is, what factors enhance the formation of beneficial types of social structures, especially structural holes? Such a research focus is important because elucidating the factors that determine a type of social structure (structural holes) that ultimately results in superior outcomes of many kinds has the potential to deepen scholarly understanding of a fuller causal chain that results in favourable performance of individuals, teams, and organizations.

A still more fundamental issue with regard to structural holes is the implicit assumption that structures are reflective of the content of the nodes to which they are linked. As Burt observes, "I ignore idea content...in idea production. The presumption...is that the content of ideas reflects the social structure in which they emerge" (2003: 4). We argue that it is important to challenge this assumption in order to further our understanding of the processes through which social structures shape actions and create outcomes.

In this work, we attempt to resolve some of these key questions by explicitly ascertaining whether the diversity that is implicitly assumed to be embodied in structural holes is present among the alters to whom the holes connect by capturing the content of alters' ideas, and relating the diversity in the ideas to structural holes and to performance. Furthermore, by measuring our major variables over time, we are able to establish the temporal sequence between key variables, including past alter content diversity and network structures. Overall, we investigate the antecedents and the performance consequences of structural holes in a dynamic setting that allows an explication of the full causal chain from the sources of structural holes to its outcomes. We investigate these issues in the context of Italian TV productions which rely on teams of networked projects.

October 3

Speaker: Jianmao Wang, CEIBS

"Update and selected topics on the Chinese economy"

October 19

Speaker: Majken Schultz, Copenhagen Business School

"Responding to organizational identity threats: Exploring the role of organizational culture"

Abstract: In this paper, we present a longitudinal study of organizational responses to environmental changes that induce members to question aspects of their organization's identity. Our findings highlight the role of organizational culture as a source of cues supporting "sensemaking" action carried out by leaders as they reevaluate their conceptualization of their organization, and as a platform for "sense-giving" actions aimed at affecting internal perceptions. Building on evidence from our research, we develop a theoretical framework for understanding how the interplay of construed images and organizational culture shapes changes in

institutional claims and shared understandings about the identity of an organization.

Research Seminars

José M. Campa

On October 17, presented, in Zaragoza, the paper "Integración y consolidación en el sistema financiero europeo", in the seminar "Perspectivas de integración bancaria en Europa", organized by Fundación Cajas de Ahorro.

Abstract: Este artículo ofrece un panorama de la evolución de la actividad de fusiones y adquisiciones en el sector financiero europeo en el período transcurrido desde la introducción de la moneda única, y analiza sus implicaciones sobre el grado de integración del sistema financiero europeo y sobre la rentabilidad, evaluada en distintos horizontes, de las empresas involucradas en los procesos de fusión. La actividad de fusiones y adquisiciones se ha caracterizado por un claro predominio de las operaciones de consolidación de carácter nacional, de modo que, hasta fechas recientes, han sido muy escasas las grandes operaciones de reestructuración transfronteriza. El análisis de la reacción del mercado ante los anuncios de fusión no revela una generación de valor neta alrededor de los anuncios. Sí se detecta, sin embargo, una transferencia de valor desde los accionistas de las empresas compradoras a los de las empresas adquiridas. Tampoco se aprecia una diferencia significativa en la creación de valor entre operaciones nacionales e internacionales, lo que sugiere que aun cuando la existencia de diversas barreras a las operaciones de consolidación internacional ha podido disuadir de su realización en algunos casos, las que finalmente se han anunciado no han sido, en promedio, peor valoradas por el mercado que las operaciones de carácter nacional.

Bruno Cassiman

On September 22, at INSEAD, Fontainebleau, presented the paper "Product innovation and exports evidence from Spanish manufacturing", co-authored with Ester Martínez-Ros (Universidad Carlos III).

Abstract: Firm decisions affect performance and survival. Unfortunately, due to severe selection problems it is hard to study this causality. Export decisions, however, have been related to better-performing firms, where causality seems to run from good performance to entering export markets. Using the fact that we observe both exporting and non-exporting firms, we analyze the effect of innovation on firms' decision to export. For a panel of Spanish manufacturing firms for the period 1990-1999, we find that product innovation is a very important driver of exports for small non-exporting firms. Our results suggest that product innovation rather than process innovation affects firm productivity, which in turn induces firms to select into the export market.

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Fabrizio Ferraro

On September 18, at Universidad Carlos III, Madrid, presented the paper "Governance in production communities", co-authored with Siobhan O'Mahony (Harvard Business School).

Abstract: We have a good understanding of organizing processes in bureaucratic organizations, but not in community forms. How do production communities govern themselves? How do they establish a shared basis of authority? With a multi-method study of one open source software community, we find that they both develop and limit a shared basis of authority, augmented by democratic mechanisms. Examining members' conceptions of authority over time, we find that members move from technical to organizational concerns. Thus, conceptions of meritocracy also evolve. This finding is reinforced with a statistical test of the determinants of leadership: organization building is just as important as technical contributions. Our findings suggest that production communities can establish a sustainable governance structure by blending bureaucratic and democratic organizing mechanisms.

On October 23, at Universität Witten, Herdecke (Germany), presented the paper "Economics language and assumptions: how theories can become self-fulfilling, co-authored with Jeffrey Pfeffer and Robert I. Sutton (Stanford University).

Abstract: Social science theories can become self-fulfilling by shaping institutional designs and management practices, as well as social norms and expectations about behavior, thereby fostering the very behavior they predict. They also perpetuate themselves by promulgating language and assumptions that become widely used and accepted. We illustrate these ideas by considering how the language and assumptions of economics shape management practices: theories can "win" in the marketplace for ideas, independent of their empirical validity, to the extent that their assumptions and language become taken for granted and normatively valued, thus creating conditions that make them "come true."

Miscellaneous

Philip Moscoso

On October 11-13, attended, in El Escorial, the Workshop on Human and Organizational Factors in Planning and Scheduling, sponsored by the European Science Foundation and hosted by Euroforum, where he gave the lecture "Key influential factors determining the planning bullwhip".

Abstract: Decisions by planners at the various levels of a hierarchical planning system may lead to a planning bullwhip, due,

for example, to inappropriate plan updating frequency. But there are other key factors that appear to determine whether a planning bullwhip is likely to occur. The main factors postulated are planning structure, system inertia and delays, degree of interrelation, and lastly, ease of representation, both in IT systems and in mental models.

Fernando Peñalva

On October 18-20, attended, in Miraflores de la Sierra (Madrid), the V Workshop de Investigación Empírica en Contabilidad Financiera y I Jornada de la Revista Española de Financiación y Contabilidad, organized by Revista Española de Financiación y Contabilidad, where he gave the lecture "Corporate governance in Europe".

Abstract: This session presents an overview of the current status of research in corporate governance. In particular, it describes the different mechanisms of corporate governance, and the research issues and problem areas with respect to each mechanism. Finally, it offers some suggestions for future research, with particular emphasis on Europe.

He also acted as discussant of the paper "Relevancia valorativa y persistencia de los ajustes por devengo: Anomalías en el mercado de capitales español".

Joan E. Ricart

On October 11, attended, in Brussels, the EIASM Academic Council meeting, where he chaired the panel "Complexity applications in business" and gave the lecture "Complexity and strategy".

Abstract: In this lecture I expounded the basic concepts of complexity as applied to the strategy field, with special emphasis on NK models.

Josep M. Rosanas

On September 3-5, attended, in Helsinki, the 2006 EDAMBA (European Doctoral Association in Management and Business Administration) Annual Meeting, where he chaired a panel discussion on "Controversial management theories: Implications for teaching and research".



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Teaching materials

NOTE: The updated bibliography may be consulted on the Internet at http://www.wapp.iese.edu/research/res_search_adv.asp?lang=en

Analysis of Business Problems

HotSpotNet Wireless
(ASN-34-E – 0.305.070)

A small start-up, pioneering the deployment of wireless Internet access hotspots in hotels, must decide on its future. The options are to merge with another start-up that has a complementary business but lower growth potential, or to keep its existing business model and seek external finance, losing control in the process.

(Also available in Spanish.)

Palencia L.; Ghosh A.; 10 pages.

Angel Toy Corporation
(ASN-35-E – 0.305.069)

Before leaving for Spain, Joe was working in the family business, Angel Toy Corporation. Angel Toy had acquired two cartoon licenses, for which Joe was responsible. Everything had gone smoothly, but inventory had not arrived yet and he wanted to make sure things were running smoothly. A weekly industry email was sent out every Wednesday to update on what was happening in the toy biz. Joe had just read an AP about a particular toy company, Applause LLC, which had declared bankruptcy. A spokesperson for the company announced that they were determined to continue and shared a brief restructuring plan, which included the sale of their "Applause" identity. The "Applause" brand was to be auctioned off and the deadline for bids was October 14. The starting price was 4.5 million. This was a unique opportunity for Angel Toy Corporation.

(Also available in Spanish.)

Huang J.; Rosenberg M.; 8 pages.

Entrepreneurship

Experiencia Jurídica
(E-86-E – 0.605.033)

Experiencia Jurídica was initially created to deliver second legal opinions online, but the poor market response forced the entrepreneur to abandon this idea and concentrate instead on

web development for the legal community. Sales efforts did not generate the expected revenues, and in 2004 the company launched a line of professional yearbooks, which generated the company's first positive cash flow. Some time later, the company launched a line of auto-related legal services under the name of AutoPlus. The priority in June 2005 was to grow these two business lines. In the yearbooks business, the aim was to identify new target groups, put together a good telephone sales team, and secure additional revenue. In the AutoPlus business, efforts would be concentrated on marketing, in the hope that the introduction of the new points system for drivers' licenses in Spain would bring in new customers.

(Also available in Spanish.)

Fité R.M.; Nueno P.; 16 pages.

General Management

The Internationalization of *Metro News*: Or How Free Newspapers are Trying to Conquer the World
(DG-1488-E – 0.305.073)

Since its first launch in Sweden in 1995, *Metro News* has developed a global footprint covering 67 cities, with 45 editions distributed in 17 countries. The concept behind the paper is simple but has proven very powerful: a free newspaper distributed through the urban transit system. This case disentangles the critical steps in Metro's international expansion.

Vives L.; Valor J.; 45 pages.

Rapid Growth Through Internationalization: Applus+ - Teaching Note
(DG-1489-E – 0.305.074)

This case outlines the development of Applus+, a Grupo Agbar business unit, from its beginnings until 2004, by which time the company was in a strong position at both the national and international levels, and was facing an important decision regarding future investments. The objective of this case is to provide information from a global perspective on the motives of this type of business, its international expansion strategy, the entry requirements and entry barriers in the certification sector, and the positions of a range of Spanish and foreign companies competing in this market.

(Also available in Spanish.)

Kordecka I.; Ricart J.E.; 43 pages.

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Rapid Growth through Internationalization: Appius+ – Teaching Note (DGT-45-E – 5.305.075)

Case DG-1489-E.
(Also available in Spanish.)

Use is restricted to Academic Institutions.

Kordecka I.; Ricart J.E.; 17 pages.

Lew Wasserman and the Motion Picture Industry (DG-1494-E – 0.306.048)

Lew Wasserman achieved a position of immense power in the movie industry and in the political arena. Before him, old-time moguls like Louis B. Mayer and Jack Warner had exerted enormous power within their particular domains, but none of them had been able to move outside of the confines of the motion picture industry. Wasserman became enormously powerful in the 1950s both as an agent and as a producer, moving beyond Hollywood to dominate the emerging medium of television. However, it was in the 1960s, with MCA's acquisition of Universal Studios, that he was able to formally consolidate his grip over the industry, and make Hollywood a much stronger political force in Washington. This case shows how exogenous shocks, both regulatory and technological, can be opportunities for resourceful actors to shape the industry structure.

Ferraro F.; Gurses K.; 17 pages.

Empresa familiar: introducción (DGN-651 – 0.306.025)

Esta nota técnica presenta la incidencia que tienen las empresas familiares en distintos aspectos de la economía de un país, comenta las causas principales de su falta de desarrollo y continuidad, y analiza sus fortalezas más esenciales. Asimismo, también considera las características de los grupos de personas con intereses en el negocio familiar y sus interrelaciones y los tipos de empresa familiar que de ellas pueden surgir.

Tàpies J.; 16 pages.

Ciclos vitales en la empresa familiar (DGN-652 – 0.306.043)

Dependiendo del estadio en que se halla la familia empresaria, los conflictos que pueden aparecer y la manera de afrontarlos son muy diferentes. La acertada resolución de los problemas de las diversas etapas debe encararse con suficiente anticipación, dado que muchos de estos problemas son previsibles y son conocidos los enfoques para resolverlos. En la nota técnica se analizan cuatro situaciones típicas: 1) La "triple" coincidencia de circunstancias adversas al final de la primera generación. 2) La internacionalización. 3) Los cambios

en las relaciones de los principales interesados en el paso de segunda a tercera generación. 4) Las crisis estructurales en segunda y tercera generación.

Tàpies J.; Gallo M.A.; 16 pages.

Information Systems

Big Brother: Endemol's Big Hit (SI-154-E – 0.106.010)

This case describes the history of the Big Brother television show format, thought up by Endemol, which represented the global launch of the "reality show" concept. Following years of extraordinary success, Endemol and its Spanish subsidiary Zeppelin are thinking about how to vary the format to recover audience viewing levels.

(Also available in Spanish.)

Fillat D.; Nueno J.L.; Valor J.; 35 pages.

Managerial Decision Sciences

The Legacy (AD-302-E – 0.106.031)

The case illustrates, in the context of dividing an estate, the trade-off between efficiency (sum of benefits) and equality (distribution of benefits).

Baucells M.; Lobanova A.; 4 pages.

The Legacy – Teaching Note (ADT-24-E – 5.106.032)

Case AD-302-E.

Use is restricted to Academic Institutions.

Baucells M.; Lobanova A.; 5 pages.

The Trust Game (AD-303-E – 0.106.039)

The case has a long introduction highlighting the importance of trust for economic growth and the efficiency of companies. It then uses a pirate story to present the trust game studied by experimental economists.

Baucells M.; Lobanova A.; 4 pages.



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The Trust Game – Teaching Note

(ADT-25-E – 5.106.040)

Case AD-303-E.

Use is restricted to Academic Institutions.

Lobanova A.; Baucells M.; 4 pages.

Currency Trading at Salam, Inc.

(AD-304-E – 0.106.042)

The case shows a situation in which an LP optimization model can be used to detect arbitrage opportunities in foreign exchange markets.

Bulach M.; Baucells M.; 5 pages.

Currency Trading at Salam, Inc. – Teaching Note

(ADT-26-E – 5.106.043)

Case AD-304-E.

Use is restricted to Academic Institutions.

Bulach M.; Baucells M.; 9 pages.

A Guided Tour to Excel VBA Macros

(ADN-267-E – 0.106.013)

Macros are a programming tool offering a powerful and flexible way to extend spreadsheet capabilities. With macros it is possible to automate formatting, charting and other often-used spreadsheet tasks. This technical note provides an overview of creating, editing, saving and invoking macros.

Lobanova A.; Baucells M.; 11 pages.

Real Situations – Exercise

(ADE-28-E – 0.106.025)

These exercises illustrate common biases in decision making, using real situations as illustrations.

Ariño M.A.; 3 pages.

Managing People in Organizations

Working Hard, Playing Hard

(DPO-83-E – 0.406.029)

The central character is a former MBA student who feels skeptical after observing the lives some of his former classmates are leading.

He thinks that many of them are so possessed by ambition that they are unable to relax (they want even their leisure to be productive and efficient). He also thinks of the lives many of them led during the MBA (mainly immature) and how they used to have fun. On the other hand, there is the contrasting example of Matt, another classmate, who went in the opposite direction and does not look very positive either. Thus, the initial dilemma of the case is how to strike a balance between achieving one's professional goals and the need to relax and enjoy the simple things in life.

Ribera A.; Arvanitou S.; 5 pages.

La Fageda: What Do Business and Madness Have in Common?

(DPO-85-E – 0.406.043)

Cristóbal Colón, founder and Managing Director of La Fageda, describes how this company, which employs people with chronic mental illnesses, was created and has grown to its current position as the leading farmhouse yoghurt brand in the Catalan market. (Also available in Spanish.)

Ribera A.; 8 pages.

Relations Between Colleagues (A)

(DPO-86-E – 0.406.044)

A young marketing manager receives a memo from the CEO, enclosing corrections a young colleague from another business unit within the same company has made to a project he has prepared.

(Also available in Spanish.)

Ribera A.; 2 pages.

Relations Between Colleagues (B)

(DPO-87-E – 0.406.045)

Continuation of case (A): Jorge, a former boss, advises Pablo on the problem that has arisen with a colleague.

(Also available in Spanish.)

Ribera A.; 2 pages.

Relations Between Colleagues (C)

(DPO-88-E – 0.406.046)

Conclusion of cases (A) and (B).

(Also available in Spanish.)

Ribera A.; 1 page.

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Doubts of an Idealistic Young Manager

(DPO-90-E – 0.406.048)

A young MBA candidate finds himself torn between his professional ambition to work in an investment bank and the "social conscience" he feels very strongly after having worked for two months with an NGO in Peru.

(Also available in Spanish.)

Ribera A.; Rodríguez J.; 9 pages.

The Hesitations of an Adventurous Young Manager

(DPO-91-E – 0.406.049)

After serving six years in the Army as an officer (including two years in Iraq, working in the economic development unit of the Provisional Government formed in 2003), Thomas Smith decides it is time to redirect his career towards a job that is better aligned with his personal plans and salary expectations. Consequently, he embarks upon an MBA. However, shortly before ending his 2nd year, while he is immersed in different recruitment processes in several firms, he receives an e-mail from a former friend of his, inviting him to join the management team of a Foundation that is going to be created in Afghanistan.

(Also available in Spanish.)

Smith, T.; Ribera A.; 3 pages.

Marketing

El Caserío: Brand Architecture

(M-1189-E – 0.505.025)

A historical view of the brands acquired by Kraft in Spain, especially El Caserío. The company faces competitors which have established much more coherent brand architectures, with more potential for expansion and profit. The decisions they take for the current brands will determine their future.

(Also available in Spanish.)

Oliver X.; Toro J.M.; Lozano V.; Milán B.; 29 pages.

Production, Technology and Operations Management

Launching the New Iraqi Dinar

(P-1075-E – 0.606.044)

After the end of the Iraq war of 2003, the US-led administration in Iraq decided to introduce a new currency into the country. This was for several reasons: a) to use a currency without the head of Saddam Hussein on the notes; b) to give stability to the economy, and c) to have more than just one domination of bill in circulation

(up until then, the only bill in use was 250 dinars (20 US cents) and there were no coins). The design of the new money was to be identical to that in use before Saddam put his face on it. It was to be printed in the UK and then flown into Baghdad. From there it had to be distributed around the country to individual banks, where people would exchange old notes for new at an exchange rate of one for one. Old money in the banks was dyed red, collected and flown back to Baghdad for accountability and destruction. Citizens had a three-month window (15 Oct 2003 - 15 Jan 2004) to change their money, during which period both new and old money was legal tender. Thereafter, only the new money was legal.

Williams, R.; Martínez de Albéniz V.; Lago A.; 15 pages.

Occasional Papers

NOTE: Occasional papers may be consulted on the Internet at http://www.wapp.iese.edu/research/res_search_adv.asp?lang=en

OP-07/1 – September 2006

Ricardo Gil

LA PIRATERIA EN ESPAÑA: EL CASO DE LA INDUSTRIA MUSICAL Y DEL CINE

Abstract: España es el país europeo con mayor número de copias pirata vendidas. Este artículo analiza los tipos de piratería más habituales y las medidas que están aplicando diversos países para combatirla. Para abordar este problema, el Gobierno puede seguir dos vías: influir sobre la oferta o influir sobre la demanda. Se incide sobre la oferta mediante la regulación y la acción policial. La otra vía consiste en incidir sobre la demanda de los productos ilegales, mediante campañas de sensibilización de la sociedad y la reducción del impuesto del IVA sobre los productos audiovisuales y musicales. La primera medida trata de concienciar a la población de que no solamente la producción pirata es delito y perseguida por la ley, sino que también lo es adquirir dichos productos. Estas campañas hacen hincapié en la idea de que los principales afectados de la piratería son los trabajadores de la industria musical y cinematográfica. Sobre la rebaja del impuesto del IVA, cualquier reducción de precio sin duda contribuiría a la lucha contra la piratería, porque hará los bienes legales más competitivos y los equipará ante el ojo (y el bolsillo) del consumidor. El artículo concluye con algunas recomendaciones sobre futuras políticas para combatir este fenómeno que hasta la fecha parece tener una evolución imparable.

OP-07/2 – October 2006

Pablo Cardona - Carlos Rey

DIRECCION POR MISIONES: PRIMERAS EXPERIENCIAS DE EXITO

Abstract: Muchas empresas –grandes y pequeñas– han hecho en algún momento de su historia un ejercicio de reflexión sobre



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el “para qué” de su existencia presentada en forma de misión, valores u otros términos similares. Sin embargo, el verdadero reto consiste en hacer llegar esta misión y valores a toda la empresa de manera que sean una realidad vivida por todos los miembros de la organización. El problema es que, al margen de algunas herramientas de apoyo como son los planes de comunicación, cursos de formación o discursos de directivos, apenas existen herramientas de gestión para lograr lo que podríamos denominar “organizaciones centradas en la misión” (*Mission Focused Organizations*). Por este motivo, la implementación de la misión, más que una metodología específica, queda relegada a la intuición y a las buenas intenciones de determinados líderes, con sus cualidades –más o menos desarrolladas– de comunicación y liderazgo. Conscientes de la carencia de metodologías sólidas para implementar la misión y los valores en la empresa, se inició en 2002 un trabajo de investigación en búsqueda de ideas y soluciones. Esta labor de investigación, en la que han colaborado más de ochenta empresas de reconocido prestigio (Allianz, Solvay, Toshiba, Endesa...), junto con otras experiencias de consultoría en empresas de diferentes tamaños y sectores (Sony, Abertis, RHM, T-systems...), han permitido desarrollar una metodología de gestión que ha sido recogida en diversas publicaciones bajo el nombre de “Dirección por Misiones” (DpM).

OP-07/3 – October 2006

Xavier Vives

INFORMATION SHARING AMONG FIRMS

Abstract: This article includes the definition of “information sharing among firms”, a new entry in the second edition of the Palgrave Dictionary of Economics, published by MacMillan. Information sharing (IS) among firms is a controversial topic. Firms may exchange different kinds of data, such as information about customer behavior, prices and demand conditions. First, this paper analyzes the efficiency or strategic incentives firms may have to engage in this exchange. Following this analysis, the information sharing process is examined in static oligopoly and monopolistic competition models. The paper concludes with a review of the scant existing literature discussing evidence of IS effects.

OP-07/4 – October 2006

Josep M. Rosanas

CONTROVERSIAL MANAGEMENT THEORIES: IMPLICATIONS FOR TEACHING AND RESEARCH

Abstract: In management research and teaching today, we often behave as if there were a universally accepted paradigm, and the only points left to discuss were minor or negligible. I claim this is not true, and that there are at least five areas of serious disagreement or controversy: (i) methodology; (ii) ideology; (iii) relationship with practice; (iv) incentive systems for academics, and (v) narrow specialization.

OP-07/5 – October 2006

Lars Calmfors – Giancarlo Corsetti – Seppo Honkapohja – John Kay – Gilles Saint-Paul – Hans-Werner Sinn – Jan-Egbert Sturm – Xavier Vives

FUSIONES Y POLITICA DE DEFENSA DE LA COMPETENCIA EN EUROPA

Abstract: En este artículo se pone atención primero en las recientes operaciones de fusión, centrándose en sus fundamentos y la evaluación de sus efectos. A continuación, se investiga la evolución de la política de defensa de la competencia en relación a las fusiones en Europa y la nueva regulación que ha dispuesto la UE. También se analiza la tensión entre la política industrial y la de defensa de la competencia.

OP-07/6 – October 2006

Christian Seelos – Johanna Mair

PROFITABLE BUSINESS MODELS AND MARKET CREATION IN THE CONTEXT OF DEEP POVERTY: A STRATEGIC VIEW

Abstract: (See page 12).

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