

**Miguel Ángel Ariño
& María Luisa Blázquez**
China: The Challenge of a Colossal Country

Hakan Ener
Entrepreneurship: Fools Rush
in Where Angels Fear to Tread

Domènec Melé
Are Moral Competences
Important?



LEADERS
WITHOUT FRONTIERS

DECIDE

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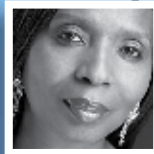
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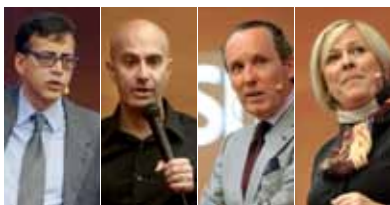


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THE IESE EXPERIENCE



**ANTONIO
ARGANDOÑA**

Editor of
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Not long ago I attended one of our periodic faculty meetings. On this occasion the meeting was to prepare for the new academic year. There were some 30 nationalities present, representing a wide range of backgrounds, experiences, interests and knowledge but with one thing in common: “To create leaders who aim to have a positive and lasting impact on people, business and society,” as it says in IESE’s mission statement, of which we are reminded at this meeting each year by Dean **Jordi Canals**.

When I began writing this editorial, I thought about this almost communal experience that we professors have been putting into practice since IESE was founded 55 years ago. On re-reading the cover story “Leaders Without Frontiers,” I realized that IESE is the perfect place to gain experience, given that it has a presence on every continent; given the variety of the students and program participants (as a measure of this, four out of five of this year’s MBA intake are from outside Spain); given the richness of the faculty’s experience; and given the combined knowledge and experience of its 41,000 alumni.

And no less important is the interview with **Hans van der Noordaa**, in which he emphasizes “it’s principles that matter, not rules.” At IESE we put special emphasis on managing with principles and developing the moral competencies that Prof. **Domènec Melé** talks about in the final article of this edition of the magazine. You can also enjoy the thoughts of Prof. **Miguel Ángel Ariño** and **María Luisa Blázquez** regarding the opportunities arising from the growth of the Chinese economy, and the encouragement **Hakan Ener** gives to entrepreneurs (one way or another, we’re all entrepreneurs) as well as IESE news and news about yourselves that you have sent us. And don’t forget, we’ll see you at the Global Alumni Reunion in Barcelona on November 7-9.



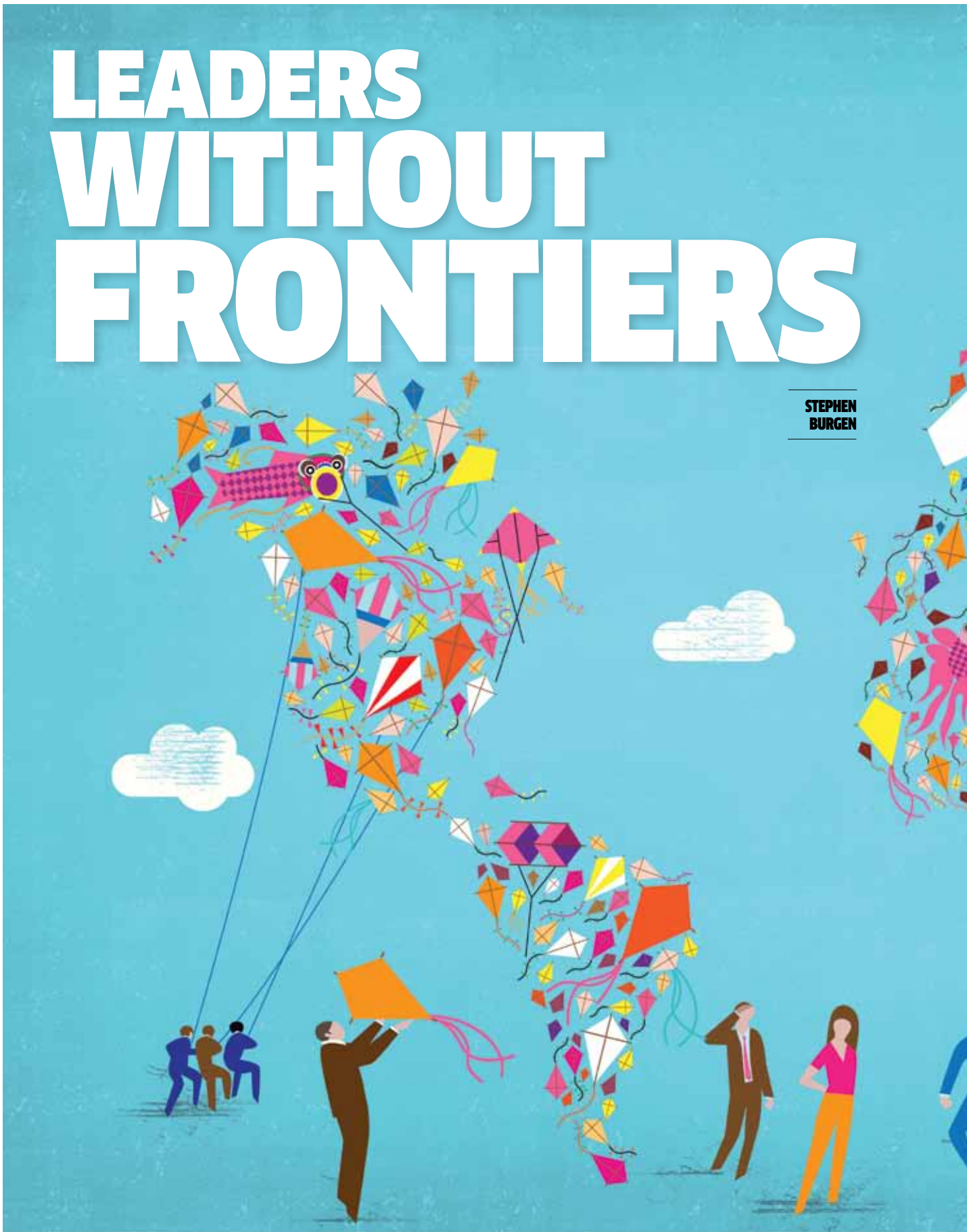
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LEADERS WITHOUT FRONTIERS

STEPHEN
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“I was born in Poland. I grew up there and in the U.S. and I now live in Geneva with my husband, who is Swedish,” says **Agnieszka Ziemba** (MBA ‘99). “I speak fluent English and Polish and my children go to school here, where they are educated in French, but when we lived in Poland they went to a Polish school. I work in finance and real estate and most of my clients are from Poland and the UK; the latter from at least five different cultures.”

Like **Ziemba**, a growing number of us do not live or work in the country of our birth, do business in languages other than our mother tongue and are producing children with multiple cultural allegiances. Even if the world is not as global as some would have us believe, most of us are much more likely to have experience of working in other countries and with people from other cultures than we would have even 25 years ago. The assumptions that we make about people—often based on erroneous or simplistic stereotypes—simply won’t wash anymore. **Ziemba** is Polish, but she is clearly much more than that: we might say that she is “global Polish.” We have to take people as we find them, not as we assume they are, and focus, not on our differences, but on the broad set of fundamental values that we all share.

Nevertheless, the challenges and benefits of working outside one’s cultural comfort zone and participating in and leading multicultural teams are real. What questions does multiculturalism pose for management styles and leadership, a field that hitherto has been dominated by U.S. culture and values, and what steps do business schools need to take to adapt to this new reality?

As working in global teams becomes the norm, it is more vital than ever for CEOs to understand what makes each individual tick, says **Franz Haniel** of Franz Haniel & Co., who sits on IESE’s International Advisory Board. “The single most important characteristic in a CEO is empathy,” he says.

This view is echoed by **Michel Welters** (Global CEO ‘13), CEO of prewiring company Preflex, who says: “We tend to judge others’ behavior against our own values; but—surprise, surprise—they do not apply. Everybody deserves to be treated and judged in terms of his or her own life story and merits. I strongly believe that



“CULTURE IS
A COLLECTIVE
PROGRAMMING
OF THE MIND THAT
DISTINGUISHES ONE
GROUP FROM ANOTHER”

Professor **Yih-Teen Lee**

there is only one way to succeed: stay alert, learn to be curious, adapt at every moment and treat people with respect. Always bear in mind that everybody has a story to tell and you will become a richer person.”

IN AND OUT OF THE COMFORT ZONE

● Culture is a collective programming of the mind that distinguishes one group from another, says IESE Prof. **Yih-Teen Lee**. “Culture determines how we interpret and react to information. We human beings are culturally bound, to the extent that we may not even notice that we are following some culturally defined script when we think and behave. To see that there are other equally valid patterns of thinking and behavioral systems different from ours requires strong cognitive and affective efforts. Without proper preparation or experiences, people may lack the capacity to detect such differences. Furthermore, many people may not be willing to step out of their cultural comfort zone.”

While it is relatively easy to become versed in the etiquette of another society, the culture itself is much more codified. **Lee** was born and lived in Taiwan, Republic of China, before moving to Europe some 13 years ago. He first worked in Switzerland, then France and now Spain. “What caught my attention when I first came to Europe was that, while Asia is usually very collectivist and more open to outsiders, Switzerland was more individualistic and more reserved to smaller social groups. There were very clearly defined and explicit rules in the operation of the society, although I discovered these were more Swiss than Western per se.”

“When I moved to France and then Spain I discovered that these societies operate according to much less explicit and somehow much more flexible rules, which are not only more complicated but also more ambiguous.”

TRAITS NEEDED FOR MULTICULTURAL MANAGEMENT

✦ To be honest, fair and trustworthy

✦ To know how to listen and adapt to every situation

✦ To be curious, communicative and informed

✦ To treat others with respect and be empathetic

✦ To be humble, patient and flexible

✦ To know how to predict the future and plan

✦ To be able to coordinate and merge teams

✦ To be open to other ways of understanding business and the world

✦ To make the most of cultural differences instead of seeing them as something negative

✦ To get to know the commercial context of each country, and live and breathe its local reality

✦ Not to talk about business the minute you arrive in a new country

✦ Remember that in some cultures it's difficult to say "no," and what looks like acceptance is not necessarily

✦ Bear in mind that, on a cultural level, they will probably know more about you than you do about them

✦ Learn the language of the country or at least show you are trying

In short, getting beyond the surface differences takes time and one of the shortcomings of expatriation, the traditional global management solution, is that expatriate managers don't stay long enough to get under the cultural skin. "A typical expat family will send their children to an international school, socialize with other expats, enjoy a clearly above average income and go back home or travel abroad during school holidays. So are they then really exposed to the local culture, language, habits, values, literature, history, beliefs? Not really," argues **Welters**.

Welters relates how when he was working in Thailand he chose to live as the locals with a local equivalent salary. "At the end of my stay, my work colleagues invited me to their homes. They felt, for once, comfortable about opening their homes and family to a foreigner."

THE TWO FACES OF EXPATRIATION

● "Expats come and they think it's easy and they can solve all the problems," says **Thomas Martin** (MBA '06), who is half Brazilian and half German, and is director of retail for Adidas in Sao Paulo. "Brazil is a very complex and bureaucratic country. For the first three months expats think they can fix everything and then they get disheartened."

As Prof. **José R. Pin** and **Pilar García Lombardía** point out in a paper on the pros and cons of expatriation, it involves "considerable expense for the company and for the expatriate and their family as they adapt to their new cultural environment. Expatriation also presents many challenges for both the company and the individual and for this reason companies offer a range of support mechanisms and benefits to help the transition to the new culture."

"The biggest problem with expatriates is that often their families don't adapt," adds **Martin**. There is also the question of language. If you don't attempt to learn the language

you will never come close to understanding the culture, as language and culture are deeply embedded in one another. It is tempting, of course, to rely on English to get you through, as it is a truly global language. However, as the prominent linguist **David Crystal** remarked in his book about "global English," people who don't speak English are out of the game, but so are people who only speak English.

There is a tendency to assume that global means the extension of the global center into emerging markets but, as Prof. **Sebastian Reiche** points out, "there are numerous emerging market multinationals that are successful abroad and that are innovating the way a global company can be run. For example, rather than sending masses of expatriates to run the foreign operations as many multinationals still do, Chinese multinational Haier has localized its top management in each foreign market from the beginning."

There is a tendency to generalize about "European" or "Latin American" or "African" culture when each of these embraces a wide range of cultural attitudes and languages. However, a very real distinction can be made—for all their internal diversity—between Asian and Western cultures, in particular in relation to notions of leadership.

DOES THE CONCEPT OF GLOBAL LEADERSHIP EXIST?

● Leadership is a cultural construct, says Prof. **Carlos Sánchez-Runde**. "Its meaning is embedded in the diverse cultures where it is exercised, and changes accordingly." In counterpoint to the Western idea of the leader as a heroic—and often vainglorious individual—he cites Lao Tzu's observation that "a leader is best when people barely know he exists, who talks little, and when his work is done and his aim fulfilled, people will say, we did this ourselves."

"Americans are often schizophrenic in their choice of leaders," **Sánchez-Runde** comments. "Some like leaders



who empower and encourage their subordinates, while others prefer leaders who are bold, forceful, confident and risk-oriented. By contrast, Chinese leaders are expected to establish and nurture personal relationships, practise benevolence towards subordinates, be dignified and aloof but sympathetic, and treat the interests of employees like their own. Malaysians expect their leaders to behave in a manner that is humble, modest and dignified. And Japanese leaders are expected to focus on developing a healthy relationship with their employees, in which employees and managers share the same fate.”

Sánchez-Runde argues that current management thought is still rooted in the ancient Greek concept of achieving an ideal through purposeful action. “Executives manage by objectives, and leaders strive to actively move the firm closer to achieving business goals and ideals that are carefully and publicly defined and implemented,” he says. However, Chinese tradition emphasizes positioning oneself in the flow of reality. Rather than establishing a set of objectives for action, leaders must locate themselves in such a position that the desired path of events becomes the only viable alternative. To many Western executives, their Chinese counterparts’ ambiguity and apparent failure to act decisively appears ineffectual and even deceitful, he says.

“You have to understand that modern business practices are still not well established in China,” says **Yunli Lou** (Global China CEO ’13), managing director of private equity firm Milestone Capital in Shanghai. “Here you go to business school and learn about best practices whereas in China it’s all trial and error. There is no established way of managing modern businesses. Most of the entrepreneurs in this CEO program haven’t been to business schools and they’re making a lot of it up as they go along. It’s hard to say who used what method to get where they are today.”

Ina Mexía (PDD ’03) is of mixed German and Spanish parentage and has worked widely in Europe, the Americas and Asia and is currently director of perfumery in Spain for Firmenich. She agrees that working in Asia requires another leadership approach compared to Western cultures. “In general it is more formal and hierarchical and they are much

more collectivized, much less individualistic than Western people tend to be,” she says. “The advantage of being an ‘expat’ is that as you will always remain a foreigner and, if you have the right attitude and are sensitive, they will extend a special tolerance that they would not show to local managers, who are supposed to know and follow all the rules and social habits.”

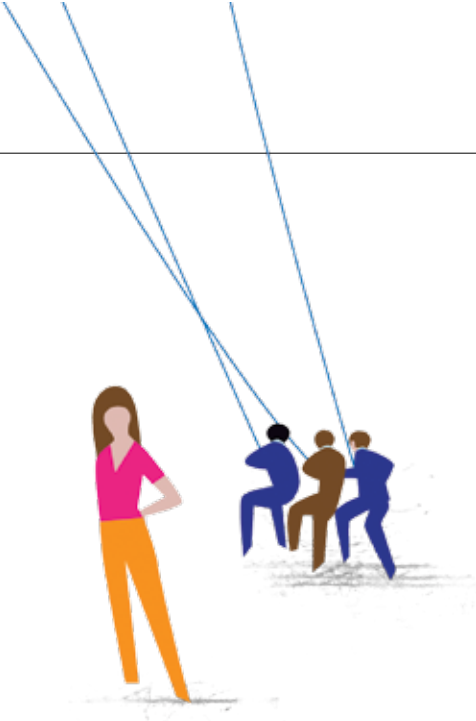
“East and West have converged on the surface level, but deep down our different ways of thinking persist and will continue to persist,” says IESE Prof. **Kimio Kase**. He cites a Honda executive who commented that Western and Japanese management thinking is 95 percent the same. The snag is the 5 percent includes the most important aspects of management. **Kase** argues that East and West are divided by a tendency, respectively, towards “inductive thinking” and “deductive thinking.”

Asian managers tend to inductively process information in such a way that they pursue a highly abstract idea for their decision-making processes, he argues, while Western managers tend to apply established patterns, approaches and categories to deliberate on their decisions and strategy implementation. If both could be embraced it might create better strategic and managerial solutions, he says.

The East meets West dimension was the biggest learning experience of the MBA, says **Teresa Morenés** (MBA ’13). “The priorities when facing a business problem would never be the same, neither would the solutions. In many cases it appeared to me that neither of them would be 100 percent right, but if someone had the ability to combine them both it would be close to perfection. Western and Eastern countries working together would be closer to a ying and yang balance.”

DIFFERENT WAYS OF UNDERSTANDING A BUSINESS

● China and Brazil are two of the big new business frontiers but Martin cautions against a superficial reading of Brazilian culture. “Brazilian cultural is informal. When you agree on a date you need to understand that the date will not be as fixed as it would be in Europe or the U.S. It’s also much more human, in that personal relationships are important. In Europe it’s fact-based but here it’s more sub-



“EAST AND WEST HAVE CONVERGED ON THE SURFACE LEVEL, BUT DEEP DOWN OUR DIFFERENT WAYS OF THINKING PERSIST”

Professor **Kimio Kase**

jective, people have to like you and you have to win them over to get things done.”

Jorge Lluch (EMBA '11) who is based in Atlanta, Georgia, where he is head of the international office at Delaware, a Spanish multinational that offers IT solutions to companies and public administrations, also believes it is a mistake to generalize about the ways of doing business in Latin America. “I don’t think there is a single management style at a continental level, and in some countries (Brazil, Argentina, Mexico, Colombia) even at country level. They are huge countries with large north-south or coastal-interior cultural differences. Unfortunately, there are no magic rules for doing business in Latin America, beyond our own ability to adapt to the environment, the culture and the behavior of the people you will meet.”

Nor does he accept that there is such a thing as European culture, beyond a certain degree of shared values. “Although I consider myself European, I don’t think there is any European style of company,” **Lluch** says. “In my opinion there are as many differences between Italian or German companies as there are between American or Chilean companies. Even in the U.S. there are different management styles between a company based in, say, Massachusetts, and one based in Texas. In any case, I think the most marked cultural difference lies in the relationship between people in the professional environment, the behavior of people in meetings or even their style of writing emails. For example, the European is quite straightforward when writing an email requesting information and the American is also straightforward but extremely polite, while elsewhere in South America they are used to writing long introductions before later subtly dropping in the object of the mail. Moreover, in some cultures they find it hard to say ‘no’, which can be misleading and can create unrealistic expectations.”

The same could be said for Africa. **Fanja Nantenaina Ratsimbazafy** (AMP '13) is secretary-general of the Red Cross in Madagascar and works with NGOs from Europe and the U.S. as well as international organizations such as the UN and WHO. He emphasizes that it is a mistake to think of Africa as one place, pointing out that, while Mada-

gascar is geographically in Africa, culturally it was settled by people from Indonesia, India and China.

“It’s a big mistake to think the way you do business in Kenya, for example, will work in Madagascar,” he says. “As a people, Malagasies don’t like conflict and will almost never so ‘No’ publicly and they never complain in front of other people. As a way of showing disagreement, they simply do nothing. And even if you ask what’s wrong, they won’t tell you. People assume that, because they don’t object, it must mean that they accept what is being proposed and then they can’t understand why it fails. You have to establish relationships and win trust. You have to talk a lot and ask questions.”

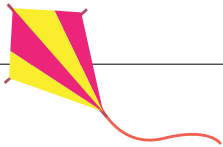
In many countries, your social status and connections weigh more than talent or ability. “It was so easy for us to get started in the U.S.,” says **Kiana Bahadorzadeh** (MBA '13) who moved from Iran to New York where she set up a tableware business with her sister. “You get a chance and if you do well, people will respond. In the U.S. they don’t care where you’re from or who you know. In Iran if you went in as foreigner and tried to set something up, people would put all sorts of obstacles in your way. You wouldn’t even know where to start.”

“As a European working in the U.S. I’ve found it a very family-oriented culture,” says **Eduardo Elorz** (EMBA '08), who works in oncology global marketing for the pharmaceutical company Lilly in Indianapolis. “They also have a stronger sense of community than in many European countries. For example, when it snows, people shovel their neighbors’ snow and not just the snow outside their home.”

“The fact that American society is so multicultural makes it extremely open to business proposals that are exotic and different,” adds **Lluch**.

CURRENT CHALLENGES IN THE DEVELOPMENT OF BUSINESS LEADERS

● As the world becomes more global—which doesn’t mean it’s becoming more than superficially more homogenous—how are business schools, which historically are almost universally based on the American model, adapting to this new reality? Prof. **Pankaj Ghemawat**,



A FRAMEWORK OF GLOBAL LEADERSHIP IN MULTICULTURAL TEAMS

Four steps for the efficient management of multicultural teams.



Graphic taken from chapter 3.2, Lee, Y.-T., "Global Leadership in Multicultural Teams," in Jordi Canals (ed), *Leadership Development in a Global World: The Role of Companies and Business Schools*, p. 191.

who contributed to the AACSB's 2011 report "The Globalization of Management Education", says that business schools "need to prepare their students for the global business context in which they will be working." The objective, he says, isn't to learn about the specific differences in each country but to develop a way of thinking that can be applied in other countries. He recommends that schools pay special attention to managing diversity, adding that offering modules in other countries, as IESE does, helps to match course content to experience.

"If business schools are serious about ensuring their graduates have the global awareness and competencies needed to succeed in a global business environment, then the necessary place for schools to start is by paying more attention to the content of their courses," **Ghemawat** says. **Reiche** adds that "universal business education does not automatically enable one to effectively manage and lead people in very different country contexts. Although we tend to think otherwise, the vast majority of people in the world still have only limited international exposure."

The other factor is the cultural diversity of the student body. At IESE, where some 80 percent of MBA students come from outside Spain, students frequently cite the cultural diversity of their colleagues as one of the most stimulating aspects of the program. For many, this is their first experience of working with people from a wide range of backgrounds and with widely differing approaches to problem solving.

Many of these students are part of the growing phenomenon of what might be called international people, people who may be of mixed parentage or have grown up and worked in a variety of countries and are comfortable in two or several languages and whose command of English permits them to navigate the global business world.

BEING CULTURALLY MARGINALIZED

● "Living abroad and/or being of mixed parentage will clearly help you to grow and develop your personality," says **Welters**. "These so called 'international people' tend to be flexible, adaptable, curious, self-aware, more creative and open to new ideas. Effectively, you learn that there are always several ways to solve a problem."

"When you work in multicultural groups you learn a lot about other ways of thinking and it makes you look at how you think," says **Ratsimbazafy**. "When you work abroad you are an outsider and you can compare what they have with what you have and when you go back home you can be more successful in your work than those that never left."

"If you are an international person you do not pretend that everyone is like you, but rather you understand his or her culture and avoid creating barriers," says **Morenés**. "Consequently, it does affect business in the sense that you can enjoy cultural differences rather than constantly point them out."

Prof. **Lee** talks about "culturally marginalized" people who have been exposed to or immersed in two or more cultures, internalized the norms of these cultures, and yet do not strongly identify with any of them.

Marginal people are generally considered bad candidates for global leadership roles but, according to **Lee**, they have a unique ability to understand and interact as cultural insiders, while simultaneously feeling like outsiders. Such "marginals" have the ability to see how their own positions or tactics may be perceived by others. Furthermore, their lack of strong identification with any one cultural group makes them particularly adept at handling diversity, he says. They also have a high level of tolerance of uncertainty and are less likely to suffer from identity conflicts and be more open to new ideas.

ADVANTAGES OF MULTICULTURAL TEAMS

● Openness and patience are the key to working in multicultural groups. “If you want to work in a multicultural environment you have to be open and accept differences,” insists **Martin**. “You learn different ways of analyzing problems. If you work in a team where everyone thinks in the same way you get things done faster. With multicultural teams you have to discuss the issues with each person and the process takes longer, although it can also be more fruitful. The challenge is to create a team where everyone works together.”

Lluch agrees with **Haniel** that the key to working in and with other cultures is empathy. “This requires living with them, sharing opinions, knowing their environment, skills and behaviors,” he says. He warns that as a foreigner, expectations about profits and results are typically higher than what can be attained, especially when developing business in emerging economies. “For this reason it is vital to understand the business environment of each country and know it in detail to avoid frustration at headquarters and stress for local staff. I don’t believe international leadership is feasible from a distance, you must feel and live the local reality.”

“Diversity within an organization is clearly a big competitive advantage that outweighs the problems,” says **Mexia**. “In a global world we need diversity of cultures: the markets are global, the consumer is moving and changing fast, and multiculturalism is the best way to stay flexible enough and adapt to those changes.”

Leading people from different cultures and being led by them opens up opportunities to learn more about ourselves, discover new ways of doing things and find creative solutions to old and new problems, says **Sánchez-Runde**. **Mexia** adds: “I wouldn’t be able to choose a single country or flag that I would feel is more ‘mine’ and that makes me free and willing to continue to explore and experience the world and its people. There are many more things that we have in common than those that make us different. Understanding those needs and wishes certainly helps you to be more competitive in business, and also a happier person.”

One last thing to bear in mind as you extend your international business is that, thanks to Hollywood and the universal reach of Western popular culture, the rest of the world is familiar with the social and cultural mores of the West. So remember, if you’re from the West, when you touch down on foreign soil, the natives already know more about you than you know about them. And from Brazil to Madagascar, Shanghai to Thailand, the message is the same: establish relationships, build trust and be patient. Don’t start by talking about business, work your way round to it. There’s a famous line in *The Godfather*, “it’s not personal, it’s business,” but it’s all personal because in the end, however brilliant your ideas, it’s people you’re dealing with, and whatever business you’re in, you’re always in the people business.

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IESE programs include subjects that deal with intercultural management. Within the Short Focus Programs there is a specific element:

Managing People Across Cultures
New York, June 4-6, 2014
www.iese.edu/mpac

CHINA

THE CHALLENGE
OF A COLOSSAL
COUNTRY**MIGUEL ANGEL ARIÑO**

Professor, Managerial
Decision Sciences,
IESE Business School

**MARÍA LUISA BLÁZQUEZ**

Research Associate,
International Center for
Competitiveness (ICC), IESE
Business School

The huge growth of China's economy is shifting the world's financial and business epicentre. Are we prepared for this new reality? This article looks at the economic potential, growing role and future trends of the Asian giant.

ECONOMY • CLUSTERS • COMPETITION •
ASIAN MARKETS

It's no secret that the economic and business center of gravity is rapidly passing from the West to the East, and especially towards China. In 2000, the United States, Japan and Germany represented 52 percent of the world economy, while 10 years later the figure has fallen to 37 percent. During the same period, China's share has risen from 3.7 percent to 9.3 percent and over the past few years has become the world's second biggest economic power.

This rise has come about through the gradual abandonment of the central planned economy that began in the 1980s in favor of a market economy. This new economic policy brought about a rate of economic growth in China during the first decade of the century of 10.3 percent, while the world average has been 3.7 percent.

China is a country emerging from poverty and underdevelopment with a population that sees opportunities to improve its standard of living and which is prepared to immigrate internally to areas where there are greater opportunities. It's a country whose people have a spirit of entrepreneurship and are ready to make the necessary sacrifices to improve their quality of life. In China, savings represent around 50 percent of GDP, while in the rest of the world it is closer to 20 percent. Investment in China represents some 50 percent of GDP while it is around 20 percent in the United States, Japan and Germany.

The Chinese people are savers and invest more than they consume, and as a result the economy is highly dependent on exports. As a comparison, the internationalization of China, valued as the sum of its imports and exports as a percentage of GDP, is 60 percent, while in Germany it is 90 percent and the United States, 30 percent. China and Germany export 4 percent more than they import, but in the United States the situation is reversed.

The fact that the Chinese authorities don't revalue the *remembí*, the local currency, aids exports and annoys competitors, especially North America, because it makes it difficult to export to China while their own markets are increasingly supplied with Chinese products.

One example of the dynamism of its economy is the automotive sector. In the year 2000, two million cars were registered in China while 10 years later this number has risen to 18 million, making it the largest and fastest-growing automotive market in the world.

THE TWO SIDES OF THE COIN OF COMPETITIVENESS

● However, what are the limits of this growth and what problems lie ahead? The *Global Competitiveness Report*, published by the World Economic Forum for 2012-2013¹, ranks China 29 out of 144 countries, three positions lower than the previous year but clearly leading the BRIC economies. As well as the above-mentioned strengths, the report points to some of the limitations of the Chinese economy, such as



technological development, in which the country is ranked 88th, as well as considerable shortcomings in the penetration of broadband and mobile telephones. Market efficiency is another area that needs development as China has problems with bureaucracy, high taxes and tariffs that create barriers for inward investment and affect its market competitiveness.

On the other hand, the difficulties that the Western economies are

experiencing will also have an effect on the Chinese economy. When you play in the first division, no economy is immune to what happens in another, but China is in a good position to cope. The West's economic problems mean that it is buying fewer products in China. If as a result of this China's growth has fallen from 11 percent to 6 percent, this 6 percent remains a sign of health and economic dynamism. Current data show that the

ONE SIGN OF CHINA'S ECONOMIC HEALTH IS THE \$3.24 TRILLION IT HAS IN RESERVES, WHILE THE FOREIGN CURRENCY RESERVES OF THE UNITED STATES AMOUNT TO ONLY \$127 BILLION

impact of this fall in exports on the Chinese economy has led to a fall in GDP of two points, not five, which is not particularly serious. On the other hand, the improved economic circumstances of millions of Chinese families have led to growth of internal consumption, and increasingly this internal consumption will be one of the drivers of economic growth.

One sign of China's economic health is the \$3.24 trillion it has in reserves, while the foreign currency reserves of the United States amount to only \$127 billion. Furthermore, the United States has an external debt of \$14.71 trillion, 103 percent of GDP, while China's external debt is \$697 billion, or 9 percent of GDP. To put it another way, each Chinese citizen has an external debt of \$396 while North America owes \$50,266 for each of its citizens. The reality is that, while the United States is a net debtor, China is a net creditor nation as other countries owe it more than it owes them.

Leaving to one side macroeconomic data, there are more subtle aspects that help us to understand and measure the potential of the country: its rapid industrial development and its capacity to improve through offering more added value.

THE INTERIOR EMERGES

- Historically, the Chinese government created some special economic zones, mainly on the coast, to promote industrial development in these areas through laws that encourage foreign investment, the development of infrastructures, a reduction in red tape and financial incentives.

However, the fastest-growing cities in China at the moment are not on the east coast but in the interior provinces in the north and west. The city of Chengdu is a paradigm of the economic development of China's interior. It has 14 million inhabitants and is the capital of the province of Sichuan, which has a population of 18 million and covers an area of 485,000 km² — almost the same size as Spain. Economic growth in Sichuan in 2011 was running at 15.2 percent. The city has attracted a great deal of foreign

investment in recent years, above all in the information technology sector, thanks to cheap labor and building costs. Many luxury retail firms, such as Burberry, Louis Vuitton and Prada, are already in Chengdu. The local government aims to attract 20 foreign brands a year. General Electric has begun building an innovation center to develop medical teams for the local market. Philips and Siemens also have I+D operations in the city².

In order to have some idea of the scale of the development of clusters³, look at the map of the hundred principal clusters in the country.

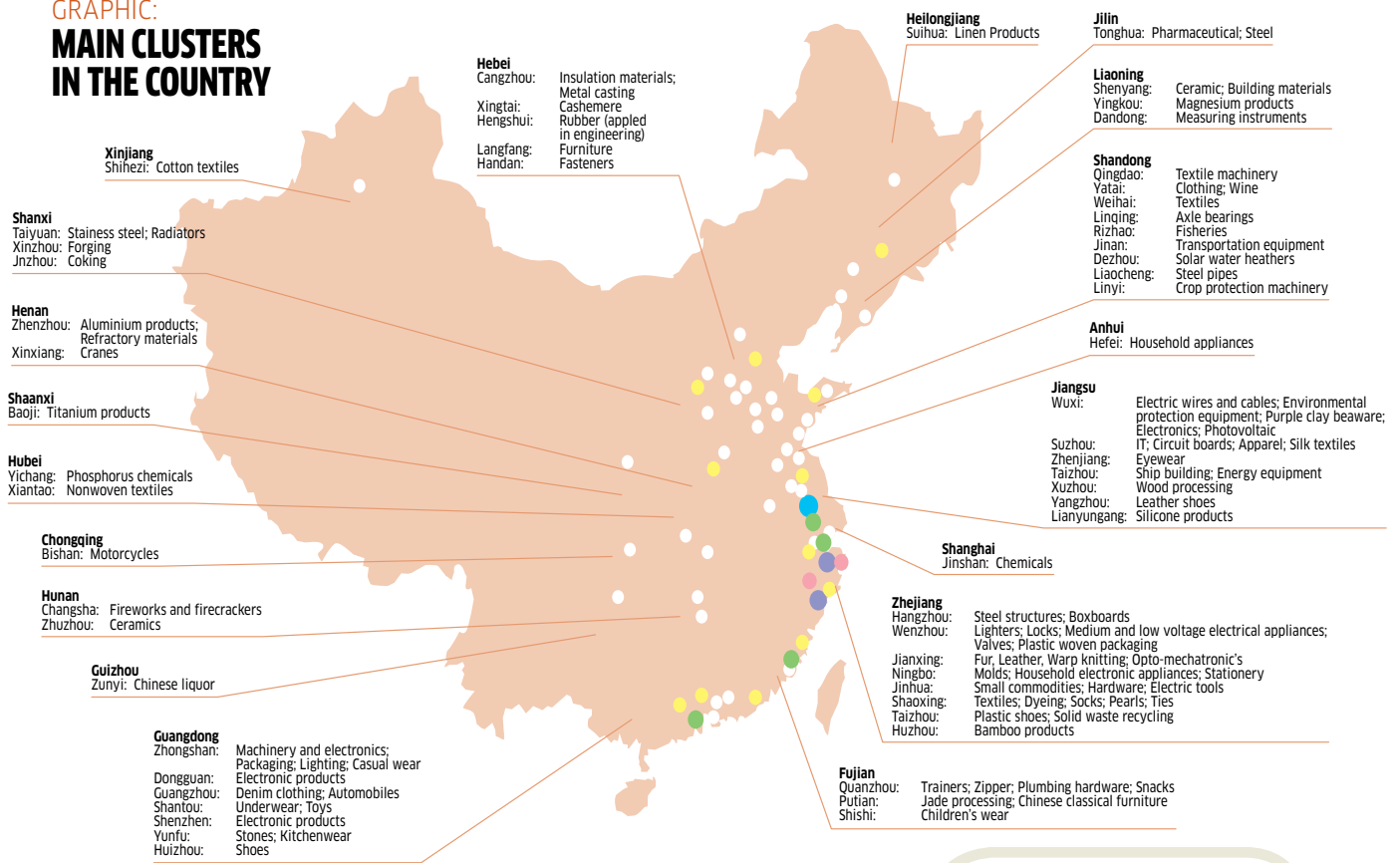
Some of China's clusters are enormous compared to European ones and yet they don't even appear on this map of the hundred principal clusters in China. For example, in Chengdu there is a concentration of almost 1,000 high-tech companies, including Intel, and 20,000 electronics students graduate in the area every year. In Ningbo, in the coastal province of Zhejiang, there are 2,000 clothes-making companies that are responsible for 5 percent of the country's textile production and these don't appear among the principal clusters either.

PRODUCTS WITH MORE ADDED VALUE

- It has often been said that the Chinese economy is based on producing vast quantities of cheap products with little specialization. This might have been true a few years ago, but the country has taken some big steps in sectors that require greater technological development and more added value.

China's industrial development was dominated by industries with little added value and a high labor component, such as textiles, toys and shoes. These industries continue to be of great importance in Chinese exports and in all of them China is the world's leading exporter. A glance at the map of the clusters shows that a majority of them are associated with these sectors. However, the greatest volume of exports is no longer coming from these industries but others,

GRAPHIC:
**MAIN CLUSTERS
IN THE COUNTRY**



- Cities with 1 Cluster
- Cities with 2 Clusters
- Cities with 3 Clusters
- Cities with 4 Clusters
- Cities with 5 Clusters
- Cities with 6 Clusters

Source: Li & Fung Research Centre;
The Beijing Axis Analysis

such as information technology, the sector with the fastest-growing exports, with an average growth of 25 percent per annum during the past 10 years.

What this means is that clusters, and the export of more sophisticated products, such as information technology, are of growing importance. The clusters of more traditional industries with less added value, such as textiles and toy manufacturing, are shifting towards other Asian countries such as Vietnam, which have comparative advantages.

Even in the more traditional industries there is a move towards activities with greater added value. Guangdong province, with a population of 300,000, specializes in the textile industry. What began initially as textile manufacture has been extended to cover the entire chain from the production of fabrics to point-of-sale⁴. At the same time this area has been developing complementary activities such as logistics,

training, consultancy—all of this in the textile sector—without diminishing the importance of the manufacturing itself, in which there are already low-cost competitors such as Cambodia and Bangladesh. Gradually changes have been instituted, and there are now more specialized processes in the field of distribution. To this end the government has invested in infrastructures and the construction of a 300,000 m² trading center with space for 4,000 shops, which functions like an international marketplace.

China can no longer be seen as a solid, low-cost competitor in industries with no added value. The trend towards industries and activities with greater added value, the enormous development of specialized zones encouraged by the government, and the intelligent use of the potential of the country's interior in order to continue being competitive on price, continues to contribute to the threat from a colossal rival.

1. *The Global Competitiveness Report 2012-2013*. Geneva: World Economic Forum (2012).
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ENTREPRENEURSHIP

FOOLS RUSH IN
WHERE ANGELS
FEAR TO TREAD

HAKAN ENER
Assistant Professor
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Despite the downturn in the economy, the prospects for those looking for investors or business angels have rarely been better.

ENTREPRENEURSHIP • BUSINESS ANGELS •
INVESTORS • PRIVATE EQUITY

With the financial crisis now entering its seventh year and only intermittent light at the end of the tunnel, this may not seem the best moment to embark on risky ventures. And yet this is an extremely good time to be an entrepreneur. Private investors are frustrated with the low returns they are getting on their financial assets. When the economy was going well, there was less money around for entrepreneurs because people could still get good returns on other activities, such as real estate. Now real estate is going nowhere and the return on government bonds is barely keeping pace with inflation. As a result, the perception of entre-

preneurs has improved and the willingness to invest in new ventures is higher than it has been for 10 years. Increasingly, the family offices of wealthy families, for example, are looking for people to partner with or to mentor.

If you are looking for partners, mentors or investors to take your idea to the next level, there are a number of things to bear in mind and rules to follow that will increase your chances of success. However, let's first define our terms, as the label entrepreneur is often applied to people who don't fit the bill. For example, just because you run a small business, that doesn't make you an entrepreneur. Small business owners who have no ambition to grow their business and are playing defense rather than offense should not be considered entrepreneurs.

Secondly, it is completely false to think that if you're in a salaried cor-



AS AN ENTREPRENEUR YOU SHOULDN'T TEAM UP WITH THE FIRST BUSINESS ANGEL THAT COMES YOUR WAY JUST BECAUSE THEY HAVE MONEY

porate job you can never be an entrepreneur. Recently, what we have seen is that people with full-time jobs with plenty of managerial responsibility in typical hierarchical organizations are launching side projects outside the office. This is partly because they feel insecure in their corporate roles and are thinking of going independent and this is the first time they've thought of being entrepreneurs. Now even people who don't like risk are setting up side projects. Indeed, people with salaried jobs are now among the most active groups exploring entrepreneurship, although many have yet to take that step into the abyss that defines the true entrepreneur. Risk is at the heart of entrepreneurship.

There is also some confusion about the role of business angels and venture capitalists. A business angel is typically someone willing to invest €100,000-€500,000 in any given project over several years. They may start small but this is essentially a person who is working for his or her own profits. A VC will be part of an investment company and has to raise funds from others to make bigger deals for a bigger return. A VC firm's main activity is identifying new companies and investing in order to return money to its own shareholders, who may be institutional investors.

However, not everyone who invests in small concerns is a business angel. A business angel tends to stay involved in the invested companies over a number of years. This is not someone who shows up, hands over some money and then comes back a few years later expecting a profit. Recently, there have been a number of "false" business angels who are not in it for mentorship or active advice but are merely frustrated with the low rates of return on financial markets. This is a passive investor profile. If you're not providing contacts or directly useful, industry-specific information to the entrepreneur, you are not a true business angel. Being a business angel implies taking someone under your wing. The defining characteristic of both entre-

preneurs and business angels is the belief in an idea and the willingness to take risks to take that idea to the next level.

THE BIG IDEA

Some ideas are easier to pitch than others. Convincing someone in the bow and arrow business of the usefulness of a gun shouldn't be too difficult. Persuading investors that the bar code will revolutionize the world of retail may be a bit more of a stretch. The first question an entrepreneur should ask is "Is there anyone qualified to help me on this project?" This doesn't necessarily mean cash but someone with industry- or product-specific insights. As an entrepreneur you shouldn't team up with the first business angel that comes your way just because they have money. It's better to hold out for someone with specific expertise even if they are offering less money. The market value of this expertise is very high and entrepreneurs often don't notice this till too late because they typically prioritize the money aspect. But people who put the most money on the table sometimes turn out to be worst sources of support because they can't hold your hand to take you to the next level via their contacts. So, while money seems to be the key, what really matters is not doing the wrong thing with your project.

Anyone with a good idea runs the risk that someone will steal it. Ideas are notoriously hard to patent. With an idea you can't even enforce a non-disclosure agreement because variations of the idea could make their way into the board meeting of another company and they would be able to do something close to but not identical to your idea. You need to see what level of development you can take the idea to as a product or service design. Any of those components can be patented by the time you reach prototype stage. This is where business angels come in. They are there to support you to this point where you establish the project's technical viability and are then able to expose it to outside feedback.

When it comes to selling your idea, remember that it's not the idea they're buying – or not just the idea – it's you. Typically the investor evaluates the person before the idea. Their first question is, why are you leaving your previous job? Why do you want to do something new? Is it because you're unhappy or is it because this business opportunity is going to be very big? If you've just lost your job, are you casting around desperately for ideas? You need to anticipate these questions. You need to be able to explain that you're not just trying to survive but have a longer-term objective. Once the investor stops questioning your motives, the discussion will take a more positive turn.

Put your money where your mouth is. Many entrepreneurs make the mistake of telling investors that with your money and my labor we can make this work. From past experience investors have come to expect more from the entrepreneur. They want to know what is the minimum and maximum financial commitment you can make to the project. Why haven't you invested your own money and, if the idea is so good, why haven't you been able to raise funds from family, friends and "fools"? Even if it's a symbolic amount, it's essential to put something of your own in before you start asking strangers for money.

You also need to create a virtuous cycle of supporters. In general investors don't want to be the only one involved. No one wants to be the only one who sees value in something new. People want to feel that others want it too, and that makes them want it more. An investor wants to feel he or she is competing for the investment and if they win they will be more proactive and supportive. If you have a business partner, the investor will want to see that you and your partner have addressed the tough questions together such as roles and ownership stakes. Investors are aware that conflicts between founders is perhaps the number one reason why projects launched by multiple people go bankrupt.

Another common mistake is to end the pitch with a take it or leave it proposition. If you say, "This is the deal—are you in or out?" they will probably walk away. Don't sell an idea as if it were a product. You're not asking for a yes or no, you're asking "How can you help me with this project?" Don't assume they can only help you with money or contacts. Always end the pitch with an open question that invites the other party to contribute.

You also need to neutralize the skeptics, people who broadly agree with you but have doubts about the specific steps required. These people will ask detailed and difficult questions about the project. This is a good sign because it means they are interested, but you need to get some sense in advance of the sort of issues they are likely to raise or have raised in similar projects. You need to collect a list of potential sticking points in your presentation. And if your idea is highly technical, be aware of your audience. If it is a non-specialized audience, if you bombard them with formats and acronyms, you'll lose them.

BALANCING CHARITY WITH PROFIT

● And finally, a word of advice for ● social entrepreneurs. Here at IESE we have been training social entrepreneurs in partnership with the Fundació la Caixa, which has so far donated €25,000 each to 40 social entrepreneurial projects. These are social business projects that are for profit but with an emphasis on social objectives. We went through the participants' venture pitches and noticed a pattern: they often created the impression that the project was just for charity when really it was about a long-term business vision. Even though you have social objectives you need to put equal emphasis on the business objectives and show that the project is sustainable and can scale up over the long term. After all, however worthy the cause, you're still asking the investors to put their hands in their pockets.

AN INVESTOR
WANTS TO FEEL
HE OR SHE IS
COMPETING FOR
THE INVESTMENT
AND IF THEY
WIN THEY
WILL BE MORE
PROACTIVE AND
SUPPORTIVE

CASE STUDY

Vodafone in Ghana

PEDRO NUENO AND PATRICIA AKUA AFFUL-KWAW

For years, observers have been calling Africa the next frontier for business growth, with many companies clamoring to stake their claim before it's too late. Vodafone is one company that has been making inroads in Africa. In 2008, the British telecom provider made a bid for GT, the privatized state telecom company of Ghana, having previously established operations in Kenya,

South Africa, Tanzania and Mozambique. Vodafone seemed prepared to invest in Ghana anyway, not to make immediate profits, but to carve a solid niche for itself in a strategically important region. This case study looks at Vodafone's strategy when it came to restructuring GT in order to go head to head with the competition.



TO PARTICIPATE IN THE FORUM OF THE CASE:
www.ieseinsight.com/review

THE MAKINGS OF A RELEVANT BRAND

JOSÉ L. NUENO INIESTA
& GLORIA ANDREU

● A quarter of Interbrand's top 100 global brands for 2012 were tech-related, a testament to the growing value of the digital revolution. The authors of this paper say that this ranking indicates the leading brands of tomorrow will likely emerge from new sectors, rather than tweaks to existing ones. They reflect on successful new brands, the sectors of the future, the opportunities presented by a multichannel strategy and the role that the image of the country of origin plays in a brand's success. Google, Amazon, eBay, Facebook and Yahoo! were not as relevant 15 years ago as they are today. What do these five players have in common, aside from being upstarts in the digital sector? These companies all meet consumer needs in ways that are efficient and, so far, free. They are serial innovators: For example, hardly a month goes by without Google offering some new service. They have also had a transformative effect on their sector. In short, these brands have succeeded because they brought about a radical change in how consumer needs and aspirations are being met.

MORE INFORMATION:
IESE Insight / Marketing

THE ZARA WAY OF DOING BUSINESS

FELIPE CARO & VÍCTOR MARTÍNEZ
DE ALBÉNIZ

● In their article "Operation Management in Apparel Retailing: Processes, Frameworks and Optimization," the authors review the decision models employed by fast-fashion retailers such as Zara to derive some current best practices. A centralized inventory management system will allow retailers to ship stock to stores when needed, while two-tier inventory models allow a rapid response to demand. Zara has adopted another distribution model, at the level of the store display: If a product is unavailable in major sizes, it removes the product from the shop floor.

This requires that distribution decisions also take account of shipping scarce stock to other stores in the network, so that the right combination of sizes is always on display. Doing this can boost sales by as much as 4 percent.

MORE INFORMATION:
IESE Insight / Service and Operations Management

LESSONS FROM THE CONSTRUCTION SECTOR

OSCAR ARCE, JOSÉ M. CAMPA
& ÁNGEL GAVILÁN

● In their paper "Macroeconomic Adjustment under Loose Financing Conditions in the Construction Sector," the authors focus on borrowing constraints on the housing supply side, and highlight the links between some of the key factors in the macroeconomic environment. These include the disproportionate strength of the construction sector in countries that faced a housing boom before the crisis.

In an ideal world, they argue, available funding is allocated in such a way that, for every project, the cost of financing each additional unit of output, whether a house or a factory, will match the income expected from that unit of output. This assumes a balanced market.

In the real world, however, there are financing restrictions in place, both in the form of interest rates as well as the minimum size of projects, in order for them to be attractive. The research offers salutary lessons for investors.

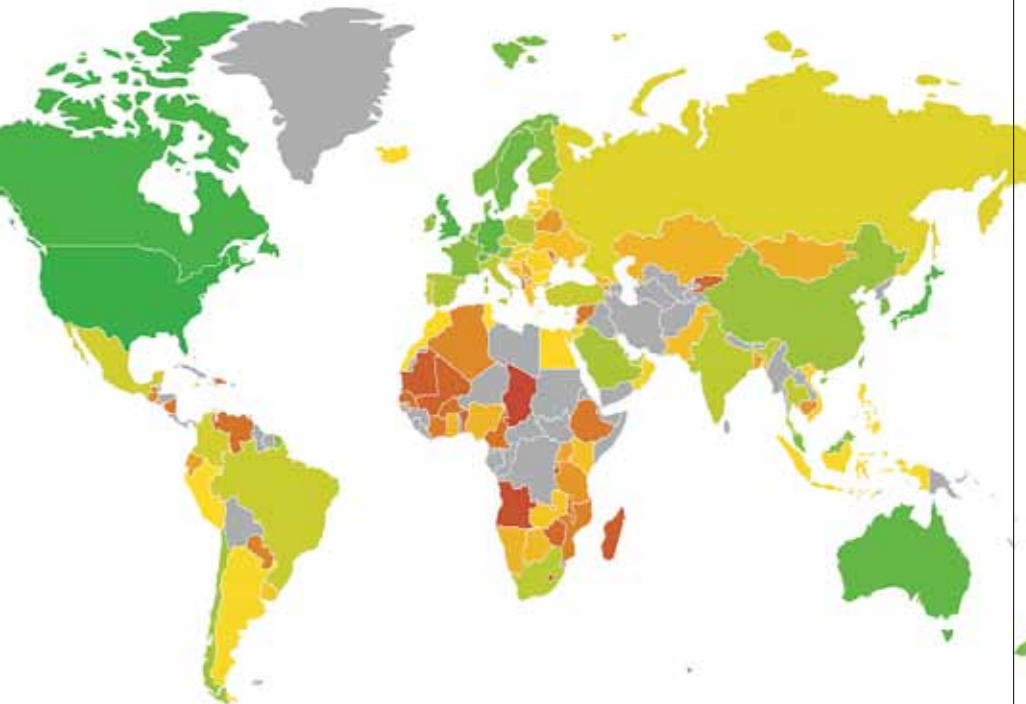
MORE INFORMATION:
IESE Insight / Economics

Risk and Opportunity in Emerging Economies

ALEXANDER GROH, HEINRICH LIECHTENSTEIN & KARSTEN LIESER

Venture capital and private equity funds are increasingly looking to emerging economies for investment opportunities, and not only in the BRICS, but also in fast-growth economies such as Turkey, Mexico, Indonesia, Nigeria and the Philippines. However, as the fourth annual Global Venture Capital and Private Equity Country Attractiveness Index reveals, investors continue to express serious reservations about certain aspects of these economies. The index is designed to help investors identify the best opportunities by ranking countries according to six key drivers: economic activity; the depth of capital markets; taxation; investor protection and corporate governance; the human and social environment, and entrepreneurial culture and opportunities, which encompass aspects such as innovation capacity, the ease of doing business and the development of high-tech industries.

MORE INFORMATION:
IESE *Insight / Finance*



IESE *Insight* Leading the Digital Transformation

Issue 18 of the IESE *Insight* management review, guest edited by Prof. Josep Valor, helps managers understand the digital transformation and learn how to successfully navigate the seas of change.



IESE's Sandra Sieber, Evgeny Káganer and Javier Zamora list five leadership competencies that every executive needs in order to operate in a digitally dense environment. Andy Rowsell-Jones elaborates on the new mentality. Using real-life business examples, the Gartner expert presents several conceptual frameworks to help managers combine their physical and digital resources, using entirely new approaches and thinking.

One of these new approaches concerns the reorganization of work processes resulting from virtualization. The U.S. academics Paul M. Leonardi, Diane E. Bailey and Stephen R. Barley highlight what happens when a multinational car company uses digitally mediated relationships to coordinate engineering activities between India, Mexico and the United States. Sometimes the added complexity of managing work digitally can dilute the efficiency gains, they warn.

Given the high degree of abstraction associated with digital transformation, thought needs to be given to tangibles – namely, people. The benefits of digital transformation may be obvious, but the human component must not be overlooked in order to achieve common business goals.

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GLOBAL ALUMNI REUNION 2013

“DECIDE”

Ten months on from São Paulo, everything is ready for this year's meeting in Barcelona, which will bring together around 3,000 alumni from across the globe. Under the slogan “Decide. Taking on tomorrow's opportunities today,” more than 20 experts will discuss six key elements that will enable IESE alumni to play their part in the economic recovery. The academic directors of this year's meeting are professors **Antonio Argandoña** and **Marc Sachon**. The date: November 7-9. Put it in your diary.



INVESTING IN PEOPLE

The scourge of unemployment throws into relief the importance of education, given the close relationship between education and employment. This is not just the business of government, business can also play a key role.

Microsoft is a good example. **Jan Muehlfeit**, president of Microsoft Europe, says in an interview in the magazine *IESE Insight* that his job “consists of ensuring that his company better understands Europe and Europe better understands Microsoft.” To this end he holds regular meetings with governments, academics and other social groups in European member states to reassure them that Microsoft is listening to Europe and contributing to its agenda.



SOCIAL ENTREPRENEURSHIP

As well as financial returns, all business activity has some social impact. **Valeria Budinich**, vice president of Ashoka, a global association that brings together social entrepreneurs from around the world, stands up for multinationals that incorporate social impact as part of their mission. In keeping with this transformational idea, **Ibukun Awosika** (GEMBA '04 and GCP '13) leads The Chair Center Group, a company that encourages and promotes internationally the work of local producers.

On this same basis Dr **Pedro Alonso** not only established the Manhiça Health Research Centre in Mozambique but dedicates part of his time to training local health workers. He is currently head of the Centro de Investigación en Salud Internacional (CRESIB) at Hospital Clínic in Barcelona and is working on a vaccine for malaria which may soon be in clinical use. It is a project that is backed by the Malaria Vaccines Initiative of the Bill & Melinda Gates Foundation.



INTERNATIONAL PERSPECTIVE WITH A LOCAL VISION

In an increasingly globalized world, locally conceived business strategies don't make any sense because changes in the international market have an immediate knock-on effect on regional economies.

Prof. **José M. González-Páramo**, CEO of BBVA, and **José Viñals**, CFO and head of the International Monetary Fund's Capital Markets and Monetary Affairs department, offer their assessment of the world economy. Both speakers have worked for the European Central Bank and the Bank of Spain. Furthermore, **Viñals** has worked with the National Bureau of Economic Research (NBER).

ACTIVE NETWORKING



Inma Shara

● The Global Alumni Reunion is an opportunity to learn, but also to meet up with other alumni and have a good time, thanks to an extensive program of cultural activities. This begins on Thursday, November 7 with a concert at the Palau de la Música in Barcelona conducted by **Inma Shara**, one of the world's most prestigious orchestral conductors, with an extensive career conducting orchestras of the caliber of the Royal Philharmonic Orchestra and the Taiwan National Symphony Orchestra, among others.

The other activities take place on Saturday, November 9. These include a golf tournament at the Lumine Golf Club, close to PortAventura. Participants can also visit Barcelona's emblematic buildings, such as the Gran Teatre del Liceu, the Sagrada Família and the City Hall, with guided visits organized specifically for the occasion.

The cultural activities conclude with the game "Kitchen Aromas," organized by El Cellar de Can Roca, recently voted the best restaurant in the world by the prestigious *Restaurant Magazine*.



GROWTH IN A GLOBAL ENVIRONMENT

In a changeable and increasingly competitive environment, it is not easy to achieve growth, although it is possible, as is demonstrated by the experience of **Francisco Reynés** (MBA '89), CEO of Abertis, and **Bruno di Leo**, senior vice president of global sales and distribution at IBM.

After overseeing the stock market launch of Criteria and extending the frontiers of the cement firm Uniland, **Reynés** joined Abertis to lead the internal restructuring of the group and to increase international growth. **Di Leo** was head of IBM Growth Markets in Shanghai before taking up his current post. The session will be moderated by Prof. **Pedro Nueno**.



RETHINKING

HEALTHCARE

New technologies can contribute a great deal to making healthcare systems more efficient and economical. To achieve this, it is necessary to align the interests of all the stakeholders: the industry, suppliers and patients. Dr **Keith J. Dreyer**, associate professor at Harvard Medical School, is a leading exponent of e-health in the United States. As vice president and associate professor of radiology at Massachusetts General Hospital, **Dreyer** discusses the challenges the sector faces in a session moderated by Prof. **Núria Mas**.



AN INDUSTRIAL FABRIC IS ESSENTIAL TO STAYING COMPETITIVE

Industry is gaining importance in all economies at the same time as production is being delocalized and transferred to emerging countries. However, the industrial fabric plays a vital part in guaranteeing competitiveness and innovation.

Siemens AG uses digital systems in the design and production phases while creating prototypes. This saves costs and makes the innovation process more flexible, as **Siegfried Russwurm**, a Siemens AG board member and CEO of the industrial division, explains.

Shell Marine Products also nails its colors to research and development. Its director-general, **Surinderdeep Singh**, who has held executive posts in Shell's operations division in Malaysia, the Philippines, Indonesia and India, shares his international experiences in a session moderated by Prof. **Marc Sachon**.



FURTHER INFORMATION:
Consult the complete GAR 2013 program on the website

Your GAR experience begins on the Internet

Grupo IESEGlobalAlumni (LinkedIn)

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IESE PRIVATE INVESTORS AND FAMILY OFFICES NETWORK

WHERE IDEAS AND CAPITAL MEET

Entrepreneurs and investors discuss the principal challenges they face as the investment network celebrates its 10th anniversary.

During its 10 years of existence, IESE's Private Investors and Family Offices Network has, with 130 members, become Spain's most active platform for bringing together private investors and entrepreneurs, the meeting held on the Madrid campus to celebrate the network's 10th anniversary was told.

"Entrepreneurship is at the root of what IESE is about," Prof. **Juan Roure**, the network's founder and director said, pointing out that during these 10 years the climate has changed considerably, given the economic crisis. The professor advised investors to bear a number of things in mind: look at a lot of projects before making a decision; analyze the quality of the team you are investing in; only invest if you are certain about having a sound and scalable business model; have a portfolio of various projects; co-invest with more experienced investors, and if there is potential to disinvest in four to five years.

THE ART OF UNDERTAKING A PROJECT

• How can you become a perfect business angel? Various entrepreneurs who took part in the event agreed that investors shouldn't take up too much of the entrepreneur's time, should act as a collaborator and bring experi-

ence. "The entrepreneur has to be aligned with the investor and has to be certain that the investor wants to get their money back. You have to be honest and look for an exit if necessary," said **Josep Arroyo**, vice president of Actuate. In his view, the mutual respect between the entrepreneur and investor is essential. "If you think about the client, things turn out well. If you only think about yourself, it goes badly," said **Hugo Palomar**, co-founder of Byhours.

Jacinto Roca, creator of Wuaki TV, delivered a clear message. "You have to take risks to be successful. If you don't, even if your idea is brilliant, you never win," he said. "This country lacks people willing to take risks, whether as entrepreneurs or investors." And he regretted that in Spain there are no risk capital funds of the kind that exist in the United States. He also emphasized "the social aspect" of entrepreneurship. "It's essential to be able to share the spirit of entrepreneurship if society is to move on from where it is," he concluded.

François Derbaix, founder of Top Rural, a company that he sold for €14 million, confirmed that many entrepreneurs and investors have to take on risks. "What is missing is the acceptance of failure." And he made it clear that very often "being an investor is the opposite of being an entrepreneur." "The investors should leave the project when they see that their interests are not aligned with those of the entrepreneur. There are often conflicts of interest, this is only natural," said **Luis Martín Cabi-**

THE NETWORK:
A DECADE IN FIGURES

+ 600 PROJECTS
presented

+ 120 fully
inscribed
MEMBERS

75 FORUMS
in Barcelona
and Madrid



From left to right: Jacinto Roca, Javier Cebrián, François Derbaix, Luis Martín Cabiedes and Lucas Carné

des, investor and partner in Cabiedes & Partners. **Lucas Carné**, cofounder of Privalia, said that experience was key, especially in risky projects.

Much was said during the meeting about the role of the public sector in entrepreneurship. “The public sector should light the fuse, stand back and let the private sector get involved in the project as these are the people who will take the reins of the business,” said **Joan Tarradellas** of ACCIÓ. He said public administration should take the fewest risks possible and should focus on regularizing the market, in which he said there was a “certain amount of chaos,” and “an inflation in the networks of business angels and projects.” In spite of everything, support for entrepreneurship is “more necessary than ever,” he concluded. “There is no inflation of networks in Spain,” said **Manuel Valle**, president of Enisa. “On the contrary, there is much to do.”

THE INVESTORS

● **Sergio Arzeni** of the OECD commented that “we need as many investment initiatives as possible for the future development of Europe. It’s important to encourage business angels through tax incentives.” **Roy Sardiña**, a partner in Highbar Ventures, also commented that “investors have to understand that they are going to lose money on some projects, but on the whole they could

get a good return.” For this reason **Paco Gimena**, CEO of mola.com, advised investors to “spend a lot of time sifting through proposals before deciding to back a project.”

In order to minimize risks, **Marco Villa**, vice president and managing director of Italian Angels for Growth, said “it is easier and more fun to invest as a group rather than as an individual and, furthermore, it’s more gratifying.” **Maurice Gopikian**, president of Harvard Angels France, said that “investing across frontiers presents a lot of opportunities but is also difficult. It’s important to work with different investor networks.”

“You must have a range of well distributed investments, you can’t put all your eggs in one basket. This has been a common error in recent years,” said **Xavier Arquerons**, an angel investor.

Pep Casas, founder of Neoko Capital, highlighted some of the characteristics an investor needs to have. “Without calm and patience, it’s most unlikely that the investment will be successful. Humility and the willingness to listen and learn are fundamental for any investor.”

Arquerons insisted that “it’s up to the entrepreneur to develop the project. We help them, we finance them, but the development of the project is the job of the entrepreneur. He or she must be accountable for how well the project is going in the context of the business plan,” he concluded.

THEMED FORUMS
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closed

+ 16.8 million euros
of total direct
investment

INTERVIEW
PROFESSOR JUAN ROURE

“Our Investors Are Also Entrepreneurs”

As founder of IESE’s Private Investors and Family Offices Network, Prof. **Juan Roure** has witnessed at first hand the development and priorities of investment in the economy.

Do you think the network has achieved the goals it set out 10 years ago?

Not only has it achieved them, it has exceeded them by some distance. Out of 1,000 projects that we have looked at, 700 have been presented to investment forums, the occasional meetings that the network organizes to bring together the best business projects and the most professional investors. We have carried out investments in 70 companies, most of them in the last five or six years, and among them five or six have already achieved significant returns. It’s also important to add that these projects have created more than 2,000 jobs. These are pretty good numbers.

What added value does the network offer?

The network has created a qualitative value in an activity that is essential if the entrepreneurial ecosystem is to function. Furthermore, the network has provided the opportunity for our professors to carry out research in private investment. For example, we just published the results of some pioneering research at a global level on the creation and development of the Family Office. For students it offers a complement to their professional life and for developing personal projects. It’s no acci-

dent that the network is a byword for professionalism in Europe.

What sort of investor is interested in the network?

On the whole they are professionals, with a very dynamic profile, for whom the network provides a platform through which they gain access to numerous high-quality projects, an opportunity to learn how to be a good investor and how to co-invest and diversify risk. Our investors are themselves entrepreneurial in that they invest in other entrepreneurs.

How have investors evolved over the past decade?

Investors are increasingly professional. It is also the case that the projects are more developed and the teams that present them are of higher quality. But without doubt, investors are better informed and have matured over the past 10 years. This is increasingly the trend.

In the current climate, are business angels more necessary than ever? Might they change the economic future of the country?

The crisis has certainly increased the need for this type of investment and though I wouldn’t dare to say that they can change the country’s economic future, I’m convinced they can contribute to it. Unfortunately, the work of business angels is not recognized at all by the tax system. The regulations currently in force only seek to encourage impromptu investors and not professional investment. In legislative terms, we have a lot of catching up to do. A remedy is urgently needed.



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Idefonso García-Serena, Jordi Canals, Horacio González Alemán, Pedro Astals, Jaume Llopis, Maria Puig, Miquel Lladó and Domènec Vila

17TH FOOD AND BEVERAGE INDUSTRY MEETING

Around the World with Food and Drink

On June 4 IESE's Barcelona campus took a trip around the world to explore business opportunities, challenges, travelers' tales and novelties in the food and drink sector. For decades, and especially today, exports and moving into new markets have been fundamental to the industry. That was the focus of the 17th Food and Beverage Industry Meeting, held under the title "Selling Across Continents." It was led by Prof. **Jaume Llopis** and organized with the collaboration of Deloitte, Idom, IPMark, "la Caixa", Tetra Pak and *La Vanguardia*.

For many, Europe is the easiest and at the same time the most competitive market. The executive vice president and branch manager of Nestlé in Europe, **Laurent Freixe**, said "it is still possible to grow in Europe... [by] focusing on the local characteristics of each region, fighting to gain market share and innovation." On the distribution side, **Ricardo Currás**, CEO of Dia, said that, despite the rise of Internet sales, "clients still prefer establishments that are local or present better value."

Ignasi Ricou, CEO of Gallina Blanca Star, said that his company had been selling successfully in Af-

rica for 40 years. "The key is to have an intimate knowledge of the market, understand how Africans consume, get close to open markets, see what shops are like and, above all, bear in mind that Africa is made up of 54 countries with their own peculiarities." **Malik Bakayoko**, General Manager SBFA of Durabilis, asserted that "Africa is a market in the making, with a limited number of competitors and there's room for everyone, but you have to go now."

Growth is the main attraction of the Americas, although "it's difficult to predict if it will last over time," said **Idefonso García-Serena**, president of Compact Response Group. **Alejandro Martínez Campo** (MBA '90), managing director of IAN-Carretilla, talked about his export experiences in Chile which he said were "very positive," and Brazil where, in spite of his success, he lamented the fact that it is "the country with the most bureaucratic problems that we've ever encountered." **Roberto Servitje**, president of Grupo Altex, talked about his experiences in Mexico with hydroponic cultivation.

Asia is essential to any company. "You may have different strategies

but you've got to be there," said **Xavier Pagès** (MBA '84), CEO of Grupo Codorníu. **Xavier Ybargüengoitia**, CEO Estates & Wines of the LVMH Group, delineated keys to success in China. "You have to be prepared to respond quickly, to be seen as a Chinese company, anticipate consumer trends, adapt marketing to the local culture, be able to rely on a local team, avoid creating any additional bureaucracy and use pressure groups whenever possible."

GUIDE TO CHOOSING A MARKET

The decision to export to a specific market depends on many factors. It's vital to have sufficient information to determine if these have the right conditions in order to succeed. Professor **Llopis**, **Júlia Gifra** and **Maria Puig** have launched a handbook that lists details of 28 countries and provides a good starting point when deciding in which markets to launch. The guide was presented as part of the meeting, and sponsored by Deloitte, "la Caixa" and the Spanish Federation of Food and Beverage Industries.

MORE INFORMATION:
www.iese.edu/industry meetings

The Big Data Revolution in a Connected World

● What effect will big data have on the new order of communication technologies and on the media? What direction are new telecommunications taking? How useful can this new data be for developing smart cities? These were some of the questions discussed at the 19th Telecoms, Digital Media and Information Society Industry Meeting held on June 11 on IESE's Madrid campus and sponsored by Abertis Telecom, Fundación Mobile World Capital Barcelona, Telefónica, Vodafone and Yoigo.

"Everything we do leaves a digital trace but we are making little use of this data," said **Elena Alfaro**, who works in innovation at BBVA. She said that, thanks to this data, "we can now see what was invisible," and this can be very useful for companies.

MORE COMPETITIVE CITIES

● For **Enrique Sánchez Nuevo**, an executive at Ferrovial, big data has a series of potential uses in cities, such as transparency, personalized services, efficiency and the development of new business models. "All of this will make the city more competitive, both in terms of productivity and savings on providing some services," he said. He believes that the idea of intelligent cities implies a change in the way they are managed.

María Serrano of Schneider Electric agreed. "There is strong competition between cities to improve services, but to compete they need to collaborate," she said. Citizens themselves are the main agents in the urban ecosystem and should be more involved in the management of services.

INTERACTIVE MEDIA

● **Eli Noam**, director of the Columbia Institute for Tele-Information,



discussed how big data is changing the media. "We still think of television in linear terms, but nowadays everything is interactive," he said. He predicted the media would be more visual and would have a greater impact as technology becomes cheaper.

Another characteristic of new media will be the degree of content specialization, with greater audience participation and segmentation. "The fourth television generation will be more dynamic and not just from a technological point of view. It will also offer the viewer a series of possibilities that were barely imaginable even a few years ago," he said.

María Ferreras of YouTube highlighted the connectivity, interactivity and quality of some of the elements that characterize the so-called "Generation C," a new generation of users who are permanently connected to new technologies and new devices.

Ricardo Sevilla, head of Digital Media at the Spanish national broadcaster RTVE, sees hybrid television as one of the great challenges of the future. "The work of public media is essential in order to guarantee certain content," he

said. "So far, second screens have not pushed out traditional television," said **Xavier Redon** of Abertis.

THE IMPORTANCE OF CONNECTIVITY

● Some key operators from the sector also took part in the meeting. "The process of change opens up the opportunity to develop new business models but it is essential to have high-speed connections for this to happen," said **Rafael Miranda**, director of strategy at Vodafone Spain.

Francisco Salcedo, head of new business at Telefónica, said telecommunications companies need to reinvent themselves, evolve and attract new clients. "The digital user has abandoned traditional devices and we either follow them or lose them," he said.

Spain's secretary of state for telecommunications and the information society, **Víctor Calvo-Sotelo**, made the closing remarks at the meeting, which was led by IESE professors **Joan E. Ricart** and **Josep Valor**, and by **Santiago Miralles**.

FOR MORE INFORMATION:
www.iese.edu/industry meetings

CUSTOM PROGRAMS: UNIVERSITÀ CAMPUS BIO-MEDICO DI ROMA



Efficient Management for Better Healthcare

● How can we offer quality healthcare to a growing population at a price that we can afford? The answer is to transform the healthcare sector through management training and improving management models. It is with this goal that IESE developed programs focused on healthcare. The Health Management Program (HMP), now in its second year, and the custom programs for companies working in the sector, such as the Università Campus Bio-Medico di Roma (UCBM).

In any organization human capital is the most important and this is even more true in universities such as UCBM that operate in the healthcare and biotechnology sectors, said Prof. **Gianluca Oricchio** (AMP'12), managing director of the Polyclinic University Hospital and member of UCBM's Executive Committee.

"This is one of the reasons why, at this point of transition in the healthcare sector, the executive committee decided to invest in talent. We believe that solutions to the business model's financial and sustainability problems will be found through the interaction of people from different disciplines working together in a team."

This program is focused on three main areas designed to ensure the present and future well-being of the sector: operations, leadership and

management control, "...because you have to give an effective service in the most efficient way possible," said **Roberto Macciò**, executive director of custom programs in Madrid.

"Operations are a key factor in healthcare (because of the high cost and the need to optimize processes and resources) but leadership is also fundamental because it's crucial to work in a team made up of doctors, nurses, IT and laboratory technicians and administrators working together towards the same objective: to do things well at optimal cost. And to do that you need to understand where costs are generated, and the impact of different activities on the P&L."

CLEAR OBJECTIVES

● Divided into four modules, the UCBM custom program aims to improve participants' decision-making abilities, sharing practices and management tools and implementing processes to improve and innovate while developing organizational models with an emphasis on the spirit of service.

"Nowadays, the daily life of a medical specialist is more and more frenetic and you have to be involved in different areas related to health and management. The program allows us to 'stop and think' about what we're doing and

how we can improve the organization and execution of our work," says **Adrea D'Ambrosio**, cardiologist at UCBM. He enjoyed the case study method "because it allowed me to meet and talk with colleagues from other departments about concrete issues and transfer what I learned in class to my daily work."

IESE HEALTHCARE INITIATIVE

With targeted programs, sector meetings and a research center, IESE is heavily involved in a sector that is in a process of transformation:

- **Health Management Program**
www.iese.edu/hmp
- **Program for Senior Management in Healthcare Institutions**
www.iese.edu/seniormanagementprograminhealthinstitutions
- **Custom Programs**
www.iese.edu/custom
- **Healthcare Meeting**
www.iese.edu/healthcare2013
- **Center for Research into Managing Innovation in the Healthcare Sector (CRHIM)**
www.iese.edu/healthcare

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A CRITICAL DOSE OF LEADERSHIP KNOWLEDGE AND EXPERTISE

Fast Forward: Taking the Reins in a Global World

“Leadership is not a position—it’s an approach, it’s a way of thinking,” best-selling author **Robin Sharma** told participants in IESE Business School’s Fast Forward Program, which was held from May 27 to 31. **Sharma** and IESE Prof. **Pankaj Ghemawat** took the stage as keynote speakers during the first two days of the program.

One of IESE’s newest programs for executives, Fast Forward is designed to give participants a dose of leadership knowledge and expertise, while focusing on future trends. It features a mix of tracks and sessions, which participants can personalize to fit their own needs, along with insights from key leadership experts, along with plenary sessions led—in this case—by professors **Miguel Ángel Ariño**, **Paddy Miller**, **Sandra Sieber** and **Pedro Videla**.

In his presentation, Prof. **Ghemawat**, author of the much-praised *World 3.0: Global Prosperity and How to Achieve It*, told participants that global connectedness has not reached pre-crisis levels. “We have witnessed a lull in the increasing integration of the world economy,” he said. However, no industry can afford to ignore the growth of emerging markets, he said, and advised company leaders to go beyond thinking about market size, recognize differences in markets and expand their competitive advantage.

Robin Sharma showered participants with diverse ideas about what it means to be a great leader as well as a great human being during his presentation. Too many people spend their lives “busy being busy,” said **Sharma**, author of *The Monk Who Sold His Ferrari* and *Leading Without a Title*. On average, people now spend 2.1 hours per day distracted by new technologies.



Prof. Pankaj Ghemawat



Robin Sharma



Ermenegildo Zegna



Halla Tómasdóttir

These distractions pose a danger for executives and their organizations, he said. “Addiction by distraction is the death of creative production.” He said leadership should be viewed as an act of service with a sharp focus on excellence that can be performed in any job, at any level of society.

“How often are you exposed to mastery? Mastery is so rare,” he said. “Be so good at what you do that the marketplace cannot ignore you. The marketplace always rewards mastery. Clarity precedes mastery. Clarity is power.”

On May 29, participants heard from **Ermenegildo Zegna**, CEO of the Ermenegildo Zegna Group, who gave a talk titled “Challenges and Opportunities of a Global Family Business.”

“I run the company as if I were the CEO of a public company,” said **Zegna**, who heads the fourth generation family-owned firm based in Milan, Italy. Four of the company’s board members are independent, while four are family members, he said. Independent board members reflect di-

verse sectors and nationalities. The company is keeping its eye firmly on Asia, he said. “We were the first luxury brand to move into China and China today is our number one market.”

On May 30, **Halla Tómasdóttir** of the Iceland-based Sisters Capital investment group discussed trends poised to have a dramatic impact on companies, such as *agequake*, which **Tómasdóttir** described as a seismic shift in consumer markets as older people begin to form a larger part of the general population.

For the rest of this century, the fastest growing consumer market will be people older than 60, but few businesses are marketing to this group, she said. In addition, seniors will work longer because there aren’t enough young people to replace aging baby boomers.

Tómasdóttir concluded that companies who want to succeed in the future should build inclusive cultures, so they can tap into all human resources available.



IESE HOSTS 21ST INTERNATIONAL FACULTY PROGRAM

Adding Value for Management

For more than two decades, IESE has been sharing knowledge and its educational vision with future managers and entrepreneurs around the world. But the school has also sought to go further. How? By preparing professors from other business schools so they can add value to their institutions through stronger teaching and leadership capabilities.

This aim is carried out through the International Faculty Program (IFP). The 2013 program concludes on June 21 on the school's Barcelona campus. The director of the program is IESE Prof. **Javier Santomá**.

IPADE Prof. **Alberto Ibarra** described the experience as: "Fifty years of IESE experience condensed into three weeks, as well as a great opportunity to learn and meet colleagues from all over the world."

Thirty-one participants from 16 countries took part in the intensive program, which includes case studies, academic sessions, exercises, coaching and interactive networking activities. The IFP seeks to improve the overall quality of management education worldwide by giving participants a general management perspective applied to teaching and

allowing them to identify their own strengths and areas for improvement.

Among the highlights this year was a session led by Visiting Professor **Kirstie McAllum** of the Department of Managing People in Organizations. During the session "Collaborative Classroom Communication," Prof. **McAllum** removed the chairs in the classroom to create an atmosphere that improved participant interaction, eliminated barriers and helped boost communication skills.

"The IFP is a focal point for experiences from all over the world. It also has a strong and rigorous academic structure, with highly experienced professors who share knowledge that is going to be critical for our future personal and professional development," **Ibarra** said.

Syed Imran Saqib, professor of the Institute of Business Administration in Karachi, Pakistan, said that "given that the IBA is undergoing a period of strong growth, the program has given me new ideas and skills that I can apply immediately when I return to Pakistan."

MORE INFORMATION:

www.iese.edu/en/international-faculty-program/

Mapping Out East-West Business Opportunities

A solid business plan and clear vision is the key to launching your business in China—this was the message that came out of a talk titled "A Roadmap for Spain-China Investments."

The event presented some findings and recommendations of the just-published report *New China-Spain Horizon*. It was led by Dr. **Xi Feng**, senior vice president of the Horizon Research & Consultancy Group; **Xiaobo Wu**, dean of SOM at Zhejiang University; and IESE Prof. **Pedro Nuño**, president of CEIBS. During the event, held at the IESE Barcelona campus on June 5, they discussed obstacles relating to Spain-China trade relations and ways to go forward.

Each speaker agreed that a lack of cultural awareness between the two countries is the thing that has historically hindered business opportunities. "Why are we here so late?" asked **Feng**. "Because of a lack of understanding. So let's promote understanding."

Both **Feng** and **Wu** emphasized that tourism would be the key to "opening up" China, adding that the Chinese travel for a multitude of reasons, including seeking out education options for their families and real estate investment opportunities. **Nuño** also emphasized the human factor. "You can't maintain enthusiasm on the Internet," he stressed. "Business today is still a human phenomenon."



Ling Chen, Xiaobo Wu, Prof. Pedro Nuño and Xi Feng

EXECUTIVES FROM 70 COMPANIES DISCUSS GLOBAL CHALLENGES

HR Think Tank: Idea-Sharing for the Future

Held within the framework of the Fast Forward Program, the event highlighted the role that HR professionals play in bringing relevant topics to the table within their own organizations.

More than 70 HR heads at major global companies came together at IESE for the Global HR Think Tank, held on the Barcelona campus. The two-day event included interactive sessions led by IESE faculty members, who helped executives explore critical issues such as global leadership, talent development and cultural fit.

For participant **Judy Goldberg**, international learning and development director at Discovery Networks, the experience shed light on new trends and developments in the HR field. "Hearing from different professors and a global group of colleagues is always a great way to do that," she said.

Among the firms participating in the event were representatives from Bloomberg, Ricoh, Danone, Basf, TESCO, Discovery Networks, L'Oréal and the Hartmann Group.

During the event, Prof. **Sebastian Reiche** led a discussion on the core competencies of global leaders. He broke these down into three categories: business and organizational acumen, relational and managing self and self-awareness.

Prof. **Reiche** outlined three key competencies of what he calls a "graceful global leader": cultural awareness of one's own and the other culture; cultural empathy that



Prof. Yih-Teen Lee



Prof. Paddy Miller



Prof. Sebastian Reiche

entails the ability to put oneself in another person's shoes while also being conscious about one's own position; and cultural humility—that is, accepting the relativity of one's own knowledge and how one is perceived by others.

In a session focusing on developing organizational fit between firms and people, Prof. **Yih-Teen Lee** guided a discussion on the new challenges in placing the right number of people in the right place, with the right skill sets and levels of management.

The key is ensuring consistency of fit in the company's long-term strategy. He discussed the case of Foxconn, the supplier of iPads and iPhones with one of the largest workforces in the world. A spate of suicides among employees in 2010 in China has led to a new focus on needs and preferences of employees in large organizations. The situation underscores the complexity of company-employee fit and the ethical dilemmas that come along with these, he said.

In a discussion on teamwork and conflict, Prof. **Annoloes Raes** presented her research on 75 top man-

agement teams at global organizations. How a leader sets objectives can influence how teams work together, she said. For example, compensation issues can either bring people together or fragment a team: when compensation is for the entire team, it is a catalyst for the former; when an individual reward system is in place, it triggers the latter.

In the closing session, Prof. **Paddy Miller** discussed the vital role of HR and the unique challenges professionals face in different parts of the world. He cited the case of one HR director in Egypt who, during the revolution, called all employees regularly to see if they and their families were all right. Keeping it human is the focus, he said, and has a positive impact on the organization.

Participants said they left the HR Think Tank inspired and motivated in their roles, with a new roadmap for moving ahead. Held within the framework of IESE's Fast Forward Program, the event also served as a reminder of the role that HR professionals play in bringing relevant topics to the table within their own organizations.

Get Away and Get Inspired

“I’ve learned a lot from these case studies. Not necessarily what they wanted me to learn, but they’ve made me think. It’s great to get away and get inspiration,” says **Yunli Lou**, managing director of the private equity firm Milestone Capital in Shanghai.

Yunli Lou was one of 52 leaders of companies based in China who were on IESE’s campus last week for the Barcelona module of the Global CEO Program for China. The program is in its eighth year and is a joint IESE, Harvard Business School and the China Europe International Business School (CEIBS) initiative, featuring three residential modules. The first module was held in Shanghai, with the Harvard module still to come.

Yunli Lou established Milestone Capital 11 years ago. Before that, she worked for Goldman Sachs and Merrill Lynch in New York and Hong Kong. Her firm has three funds

with \$1bn to invest in high-growth, expansion-stage Chinese entrepreneurial companies – not start-ups. “We help companies with capital management, strategy and access to capital markets,” she says, adding that she is one of few women at her level in the private equity business.

She found out about the program because she is a Harvard graduate and has enjoyed a long friendship with one of the Harvard professors involved in it, **Krishna Palepu**.

Norman Lui, CEO Lumi Holdings Inc., whose company makes medical and cosmetics products, says he heard about the program from a friend he met playing poker. “The program is very international while being oriented to Chinese en-

trepreneurs,” says **Lui**, whose firm’s top product is a collagen drink, a fruit juice drink containing collagen peptide extracted from fish skin.

“The professors are top-notch and it’s interesting to have the classes taught in three locations. There are lots of opportunities to network and to learn from each other. It’s a unique and well-designed program,”

he said. “In this module, the case studies are more European. I was educated in the U.S. and many of their values and business values are very U.S.-centric. I believe that,

because of its long history, Europe is closer to the model that China should learn from in terms of leadership and how companies should be governed.”

“There are lots of opportunities to network and to learn from each other.”



PMD MODULE HELD ON IESE'S BARCELONA CAMPUS

Helping Ivory Coast Managers

IESE and MDE join forces to offer executive program to help propel change in the Ivory Coast.

● In the Ivory Coast, managers who gain new management skills and knowledge can help make a decisive impact on the country's economic future, and executive education programs such as the Program for Management Development can accelerate the process, says **Gabriel Varango**, HR director for the shipping company Maersk.

IESE Business School held a module of the PMD, an initiative of MDE, IESE's Associated Business School in the Ivory Coast, on the Barcelona campus in July.

Varango, a participant in the program, said Ivory Coast is experiencing "a kind of rebirth" in the wake of the crisis that shook the country in 2011. Competition in the country's shipping industry is becoming increasingly fierce, he said. Having people with the right skills and knowledge has become critical for gaining competitive advantage. "I'm a recruiter and I need very good people."

From the company's strategic perspective, "you have to reduce costs



and you have to offer something different to customers," he said. The PMD provides participants with a comprehensive set of techniques and tools for leading change within companies.

Participant **Gérard Attoungbre**, finance director for ADM Cocoa in West Africa, said the program has helped him improve his decision-making skills and identify the critical elements of business problems.

"I'm finance-oriented, so I'm gaining a lot of new knowledge in other areas, such as HR strategies," said **Attoungbre**, who leads a team of 20 people. At the same time, the

program has helped him build confidence and learn to work more effectively with people who come from very different cultural backgrounds and mindsets, he said.

The PMD has also ignited a desire to continue learning throughout his professional career, he said. "I want to keep improving myself, in both knowledge and behavior."

The PMD module follows last week's module of the MDE Advanced Management Program, also held on IESE's campus. Roughly 40 high-level managers participated in the program, which is now in its 6th year.

The second program is under way

EMBA Brazil 2015

● The second EMBA Brazil program began in early August with 25 percent more participants than in the previous year. The program is part-time and is taken over a period of 20 months. IESE is focusing a lot of attention on Brazil, where for some years it has offered the AMP and PMD programs.

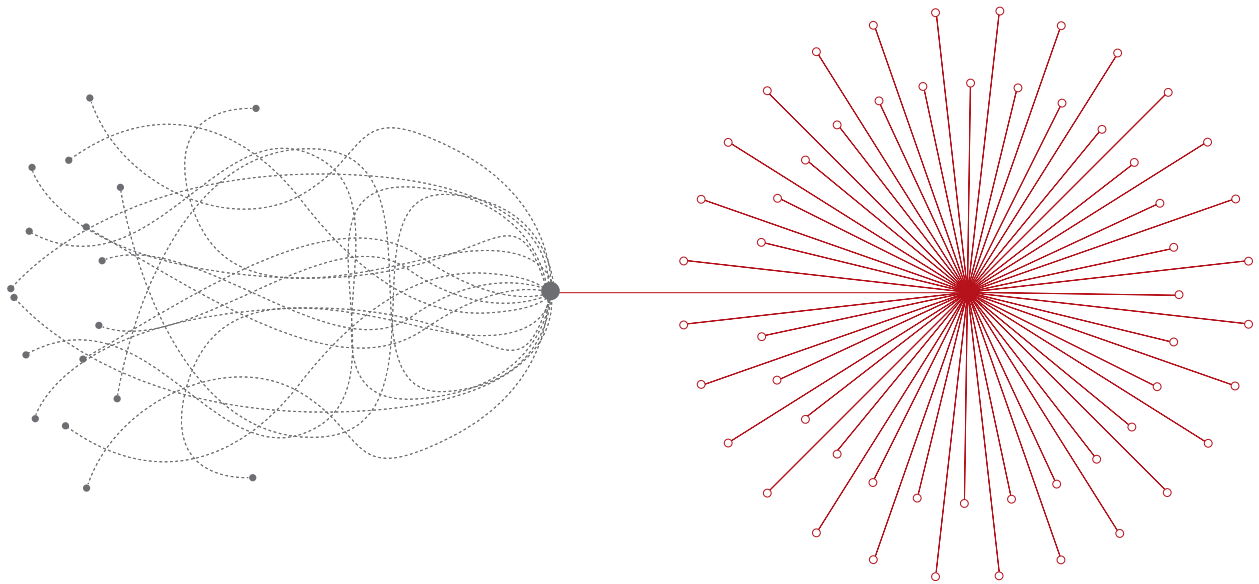
This time round it has an average age of 32, and 30 percent of them are from abroad—predominantly Portuguese, Germans, Spaniards, Mexicans and Mozambicans.

The program is trilingual and is taught in English, Portuguese and Spanish, with a markedly international focus, given the cultural diversity of the faculty and the modules that are held on other continents.

On the other hand, the program offers foreign nationals working in Brazil the opportunity to take advantage of an excellent executive education while learning about the country and its business culture.

DEVELOPING LEADERS YOU CAN TRUST

LEAD PROGRESS, BE A STEP AHEAD



**JOIN IESE'S AMP
AND RESHAPE
YOUR BUSINESS.**



IESE's Advanced Management Program (AMP) focuses on the **latest business trends** and facilitates the sharing of **insights between high-caliber General Managers and CEOs**. The program is designed to inspire **reflection on your leadership style** and help drive the best strategic decision making.

A combination of case studies, peer discussion and individual coaching guarantees a flow of practical and innovative ideas. By **collaborating with peers** on a personal **Executive Challenge**, you **benefit** from a wealth of **collective leadership** experiences.

The AMP consists of **four 1-week residential modules in Barcelona over a six-month period** minimizing interference to your personal and professional life. Participants are able to choose from a Fall or Spring edition.

TWO PROGRAM PARTICIPANTS DESCRIBE THEIR EXPERIENCES

YTP: A greenhouse for talent

The Young Talent Program offers the most talented graduates a chance to be pre-admitted to the MBA course. Two participants talk about their expectations.

● **Aiyang Zou** of China and **Josep Fabra** of Spain have much in common: both have the kind of talent that opens the doors to IESE's Young Talent Program. Thanks to this program, future students are pre-admitted to the MBA. Once they begin, IESE offers them personalized support that includes special educational sessions during the summer as part of the Next Step Seminar (NSS). During this seminar, which this year took place on 8-12 July, the YTP students get to know the school and the MBA experience before they start, and are equipped with the tools to enter the business world.

Zou took part in the NSS for the first time this summer. With a degree in English and Spanish from the University of Nanjing, she received various academic honors. Her area of interest is marketing, and she has gained experience in the field through work at the Independent Film Festival of China and the chemical group Caldic.

"I think that, with all the general management knowledge that the school is giving me, I'll have the experience that will help me a lot in my future profession. In the marketing department, you have constant contact with all the people and departments in the company, so I think that a general management focus is useful for this kind of work," she said.

Currently, she is doing an internship in the sales department of The Four Seasons Hotel in Shanghai, while working in the marketing department of the recruiting agency Robert Walters.



Josep Fabra, who is enjoying his second year in the NSS, studied civil engineering at the Universitat Politècnica de Catalunya and has enhanced his university education with courses abroad such as at University College London and the Swiss Federal Institute of Technology.

"I want to complement my career with business management education. I chose IESE because it is one of the best schools in the world, with students from all over the planet, learning different cultures, and seeing different ways of doing things," he said.

At the end of 2012, he joined the sales department as a project manager at Mageba, a company that provides high-end engineering components for infrastructure and buildings. He is based in Switzerland.

The case method "puts you in a situation, you have to make a decision and perfectly simulate what you will be doing in the professional world. It

is like what I have experienced now that I work in a multinational," said **Zou**. "It is a much more interactive, easy and entertaining way to learn; you are more involved and committed than when you are in a theory-based class," adds **Fabra**.

They agree that there is a strong human element in IESE's MBA, which they expect will bring them "a more holistic view of the company and society." Above all, they want "to learn to be leaders, but from a global and ethical perspective, to be better for society."

"I have heard many people say that IESE's MBA places much more importance on the human factor in companies, that it has a more humanistic orientation. I agree and I think that the human part is the most important aspect of any company; if you know how to manage people well, you can make the company work well," said **Zou**.

"If you know how to manage people well, you can make the company work well"

90% OF 2013 MBA STUDENTS EMPLOYED

Demand for IESE's MBA graduates as high as ever

The students of the MBA Class of 2013, who graduated in May, have had great success finding work already, and by this September 90 percent had already found jobs. Of these, 80 percent have been contracted internationally, in a total of 36 countries, a further indication of IESE's global orientation.

Among the geographical regions with the highest levels of recruitment, Asia now has 19 percent of placements, while Europe continues to be the most significant continent, taking some 34 percent of graduates.

As for the companies themselves, McKinsey & Company has recruited the most MBA graduates, followed by American Express and Telefónica, among others. By sector, the most popular are consultancy, healthcare, banking, energy and consumer goods.

For their part, 100 percent of first-year students (Class of 2014) have already found positions for this summer in various companies in 40 countries and in a range of sectors



from finance to distribution, as well as IT, tourism, banking, consultancy and foundations. The new MBA course began in September and with it, a new season for the busy MBA Career Services department.

MBA 2015

Class made up of 60 nationalities

IESE this year welcomes 274 participants to the MBA program. The students will graduate in 2015 and come from a wide range of countries and backgrounds, which is one of the characteristics of the IESE MBA.

The group is made up of a total of 60 nationalities, among whom Germans and Americans predominate, along with a greater diversity of Asian nationalities than in previous years.

They have an average of five years' professional experience under their belts and a background in science, in particular in engineering, is the most common.



International Conference of Work & Family

Experts call for analysis of work-life policies.

During IESE's 5th International Conference of Work & Family, held July 1-3, academics from around the world gathered to analyze topics such as corporate family responsibility; the benefits of flexible work arrangements and developing evidence-based work-life research assessments and organizational interventions.

Many work-family balance policies continue to be unevenly implemented across large organizations, said Prof. **Ellen Ernst Kossek**, the Basil S. Turner Professor of Management at Purdue University.

Prof. **Tammy Allen**, professor of psychology at the University of South Florida, focused her presentation on telecommuting, which can lead to a decrease in family-work conflict and greater worker autonomy and satisfaction, but also has drawbacks such as feelings of isolation and longer working hours. Prominent companies such as Apple and Google, which provide the technologies that make telecommuting possible, still maintain strong campus-focused cultures which are designed to keep workers onsite, she pointed out.

Global Alumni Reunion

BARCELONA, NOVEMBER 7, 8 & 9

The annual alumni meeting will take place this autumn in Barcelona, with some top names taking part in a full program of academic activities: Pedro Alonso, Ibukun Awosika, Valeria Budinich, Bruno Di Leo, Keith Dreyer, Ángel Gurría, Jan Muehlfeit, Francisco Reynés, Siegfried Russwurm, Surinderdeep Singh or José Viñals. As part of the social agenda, prestigious conductor Inma Shara will give a private concert in the Palau de la Música, and there will be guided tours of the Liceu opera house and the Sagrada Família. The program will also include “Aromas of the Kitchen,” an event put on by the Celler de Can Roca, recently named the best restaurant in the world.

www.iese.edu/globalalumnireunion



Sector Meetings

During the last trimester of 2013 numerous executives, business leaders and representatives of the healthcare, automotive and banking sectors met in Barcelona and Madrid.

20TH HEALTHCARE SECTOR MEETING: “MAKING PATIENT-CENTRIC CARE HAPPEN”

Barcelona, October 23

28TH AUTOMOTIVE SECTOR MEETING: “TWO WORLDS, TWO SPEEDS?”

Barcelona, November 6 & 7

9TH BANKING SECTOR MEETING

Madrid, December 12

11TH ENERGY INDUSTRY MEETING

Madrid, February 13, 2014

1ST E-COMMERCE INDUSTRY MEETING

Barcelona, May 14, 2014

One step ahead

FAST FORWARD PROGRAM

BARCELONA, JUNE 2, 3, 4, 5 & 6, 2014

Fast Forward is a program that focuses on future trends and the latest socio-economic realities. Its aim is to provide managers with inspiration and new ideas for opportunities in the current business landscape.





MBA Career Services recruitment events grow!



3 EDITIONS OF CAREER FORUM IN BARCELONA

OCTOBER 7 & 8, 2013

NOVEMBER 11 & 12, 2013

FEBRUARY 17 & 18, 2014

THE LATIN AMERICA MBA CAREER FAIR IN BARCELONA

OCTOBER 19 & 20, 2013

ASIA CAREERS FAIR IN LONDON

NOVEMBER 2, 2013

NY CAREER FAIR AT IESE NY CAMPUS

DECEMBER 16, 2013

ASIA CAREER SUMMIT IN SINGAPORE

APRIL 14 - 18, 2014



SHORT FOCUSED PROGRAMS

Developing Leadership Competencies

Barcelona, November 5, 6, 7 & 8

Advanced Digital Media Strategies: Profiting From the Digital Value Chain

New York, November 12, 13 & 14

Global Business: Leading in a Matrix Organization

New York, December 5, 6 & 7

Create and Lead Outstanding Teams **New**

Barcelona, March 4-6

Driving Change Successfully

Barcelona, March 18-21

Develop Your Communication Skills

Barcelona, April 8-10

Make Innovation Happen **New**

Barcelona, April 28-30

Inspiring new leaders

GLOBAL ENTREPRENEURSHIP WEEK BARCELONA, NOVEMBER 12-18

IESE is organizing the Spanish contribution to Global Entrepreneurship Week with the aim of inspiring young people to make their ideas a reality and to help entrepreneurs to grow their businesses through best practices. The various events held during GEW will help to demystify the figure of the entrepreneur and encourage entrepreneurial initiatives.

Continuous Education Program returns

OCTOBER

The number of sessions continues to increase, especially in the United States, Latin America and Southeast Asia. Africa will

also host some sessions and Europe will be as active as ever, so that alumni around the world can continue to learn through IESE.

MANAGEMENT PROGRAM

AMP Warsaw

First module begins October 21 in Barcelona

SEP New York - Miami

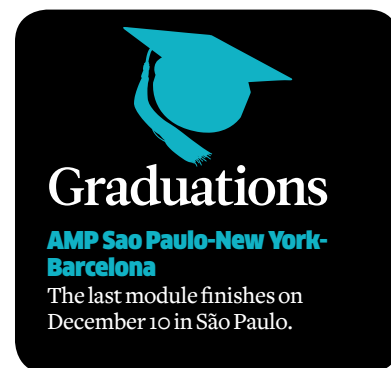
First module begins October 21 in New York

AMP Múnich-Barcelona

The program begins on November 4 in Barcelona

Global CEO Program

First module begins November 10 in São Paulo



Graduations

AMP Sao Paulo-New York-Barcelona

The last module finishes on December 10 in São Paulo.

Hans van der Noordaa,
(GCP '12)

“It’s Principles, Not Rules, That Matter”

STEPHEN
BURGEN

Hans van der Noordaa, CEO banking Benelux, ING Banking, Executive Board member ING Bank, talks about the negative side effects of growth and why Europe needs a more flexible labor market.

Despite a solid career in the banking sector and insurance, **Hans van der Noordaa** admits that he never really intended to work in banking, but in fact fell into it after he wrote a university thesis about a bank and they subsequently offered him a job as a result.

To what extent has chance played a role in your career?

I’ve been in banking and insurance throughout my career, mostly with ING and AMRO, but I didn’t plan to work for a bank. When I finished university I had the opportunity to write my thesis about a bank and they offered me a job. I started to work with the project team and gradually got new opportunities. There was a lot of growth through mergers and acquisitions so there was never a dull moment. What I



regret most is that I didn't spend enough time in most jobs. I like the challenges of new jobs but sometimes you move too quickly from one to another and that isn't always the best thing for your development. There was one unwanted change when I had to take a job supporting the executive board. It didn't suit me but with hindsight I learned a lot about the complexity of running a big global firm.

You have worked in Europe and Asia. In what ways do you modify your leadership style when in one or the other cultural sphere?

Even within Europe and Asia there are big differences. I don't think there is one European culture. Coming from the Netherlands, which is a very open and direct culture, in Asia you have to accept that things are less direct, they like to go step by step and there they don't want the boss

to lose face. I learned a lot there about the different ways you can achieve your goals. But there are big differences within Asia, between China, India, Malaysia and Australia, for example. I learned a lot from my colleagues. I often asked young trainees to help me. To begin with they were a bit shy but it was a very effective way to learn.

Should most of the blame for the present crisis be placed on poor or failed leadership or are we all to blame?

We've experienced enormous growth over the past 30-40 years and growth always has side effects, such as greed. Society has been very focused on producing wealth faster and faster with a lot of leverage and once in a while society and the economy goes through a period of correction. We're in the middle of a reset because we thought there were unlimited opportunities and that's not true. Yes, leader-

➤ **BANKS HAD TOO MUCH LEVERAGE AND NOT ENOUGH CAPITAL. WE ALWAYS RESPOND TO PROBLEMS BY MAKING NEW RULES BUT IT'S NOT ALWAYS THE SOLUTION. IT'S ALSO A QUESTION OF BUSINESS ETHICS**

ship is to blame, but it's complex; banks loaned too much but governments were also ambiguous and spent a lot of money, so we all share responsibility. It's been a wake-up call that economies have to grow in a sustainable way and that growth at any price is dangerous for the future.

Has there really been a sea change in business ethics or are we as vulnerable as ever to the problems caused by unscrupulous and irresponsible business practices?

People are more aware of the side effects of growth, but on the other hand you see that some sectors that said "never again" are pretty much back to normal. There really has been a transformation of the financial sector because the caps on capital and liquidity requirement will clearly have an impact on the stability of the sector, so I see this as irreversible change. But never say never; we will probably have another crisis but of a different nature. What has happened is that the world is so connected now that if a small thing happens far away that 10 or 15 years ago would have passed unnoticed in other parts of the world, now it gets amplified through the media, Internet and social media.

In spite of what has occurred, an unregulated or lightly regulated free market is still viewed as a sacred cow. What are your views on regulation, in particular in the banking and financial services sector?

I think we have enough regulation but implementation and compliance has been a weaker point. Banks had too much leverage and not enough capital. We always respond to problems by making new rules but it's not always the solution. It's also a question of business ethics. People need to be driven not just by the rules but by their principles. Nowadays, if you're not aware of all your stakeholders, with social media, if you make mistakes you will get grilled.

Are you in favor of / opposed to greater fiscal / political integration in the EU and, in either case, why?

I'm in favor of further integration but before we get there we have to get our house in order. The ECB is supposed

to be overseeing the banking network but it's going very slowly. The European parliament is pretty ineffective, both through the way it's organized and the lack of quality of its members. Local politicians are not doing a great job of promoting the benefits of Europe. We're a bit stuck because we've created a monetary union but without fiscal integration. The difficulty is that politicians get their power through controlling taxation and spending. So it's going to go slowly and may well diverge more before it converges. The ECB needs to become the equivalent of the U.S. Federal Reserve.

For all its faults, the European Union has brought us an unprecedented 60 years of peace in Europe. Is that a good enough reason to keep the Union intact, whatever the price?

Yes, and Europe has developed fast in this period. But there has been little fiscal discipline on the part of the member states. This is very dangerous because you are protected by Europe and by the single currency. It would be a nightmare to go back to closed borders. That would make Europe less competitive. The labor market is not very flexible and finally we are beginning to see people moving from Spain and Portugal to northern Europe to find jobs. This has always been a weak point in comparison with the U.S. I'm very worried by youth unemployment. It's all very well introducing austerity but we also have to find new sources of income.

Please tell us about your experience of IESE's Global CEO program and how you feel that you benefited from it.

I hadn't done any executive training for some years and I was looking for an opportunity and for inspiration. I met a lot of inspiring people and the fact that it is held in three different places gives you a different perspective. One of the key things I learned was that consumer behavior is increasingly converging. There used to be big differences between countries. I saw this when we were in China and then in the U.S. and Brazil. The global consumer is really taking off.



Leading the Digital Transformation

■ 5 Skills Every Leader Needs to Succeed in the Digital World

■ Groundbreaking Ideas to Achieve Digital Edge

■ How Virtuality Impacts the Way Teams Work

Plus...

- Workplace Conflict: Three Paths to Peace
- Check These Vital Signs Before Innovating
- Vodafone Ghana: Are Profits Just a Call Away?
- Jane Fountain, Managing Director, Harmony: How a watch business keeps on ticking in China

Gamification guru
Gabe Zichermann

The Power of Play
Fun and competition
are the name of the game

SEVERAL MBA STUDENTS A YEAR RECEIVE A SCHOLARSHIP TO COMPLETE THE COURSE

THE ALUMNI MAKE IT POSSIBLE

Di Xu and Francisco Liquido are two of the MBA students to have received a scholarship thanks to the IESE Alumni Association.

Excellence and opportunity are two of the terms intrinsic to the essence of IESE. The school feels that all talented people should be able to train at IESE, and with that in mind gives out various scholarships and other grants every year. This year the school has increased the funds available for financial help by 10 percent. Two of the students to receive them talk about their experiences.

LOOKING FOR SOLID COMMERCIAL KNOWLEDGE

● ● **Di Xu**, 28, is from Shanghai and has a science degree and a master's in agriculture from Shanghai Jiao Tong University. Since 2009 she has worked for the sustainable agri-business Syngenta, focusing on strategy planning and project management. She analyses market and competitor dynamics and builds different scenarios for the Chinese market to help the leadership team make decisions. In 2010 she won the Syngenta China Mission Award.

Xu began her MBA course this year: "My long-term ambition is to become a general manager or to start my own business," she says. "When I looked at cases from other industries, such as consumer products and pharmaceuticals, I found that some of the questions I'd been mulling

over are common challenges across a range of industries and provide valuable lessons, so I decided to go into other industries to broaden my experience and also get to know the world beyond China. I need to step out of my comfort zone to receive fresh views. That's why I want to go for the MBA now."

Having graduated with honors in a year fewer than it takes most other people, **Xu** is confident that she can cope with the rigorous MBA program. "IESE is famous for outstanding academic quality and has a high reputation in Europe," **Xu** says. "I believe I can get what I want from IESE, which is solid commercial knowledge. And the case study method will polish my business acumen."

However, she has a mortgage and a one-year-old son. Furthermore, she provides financial support to an unwell family member. Thanks to the IESE scholarship, these economic constraints will not prevent her from making the most of her talent.

A MORE ROUNDED VISION OF THE WORLD OF BUSINESS

● ● **Francisco Liquido** comes from Hawaii, and has a background in investment banking and alternative investments. He was educated in Hawaii, India, China, the United States and Spain. He began his career as a member of Lehman Brothers' Global Real Estate Pri-



Di Xu



Francisco Liquido

vate Equity Group and was also a member of the Global Private Equity investment team at Bessemer Trust, a premier US asset manager with more than \$50 billion in assets under supervision.

In addition to his professional work experience, **Liquido** is an active member of the community. He acted as the mentor lead for Essay Busters, a headstart program for at-risk students at Williamsburg Charter High School in Brooklyn, New York. “During my tenure, over 90 percent of student participants advanced to college with nearly \$800,000 in scholarships received by Class of 2012,” he says proudly.

He is establishing a search fund, which is an investment vehicle that financially supports an entrepreneur while he finds a company to acquire and eventually manage. This is his second year of the MBA. “I hope that at IESE I will gain a more holistic view of business and use that framework to lead a company,” he says. “IESE is focused on the person. My contribution to society will meet with success if I can bring that view of the workplace to the people that I manage.”

“I applied for the scholarship because I was about to get married and my wife and I wanted to have children. Going to business school is a serious investment and a scholarship helped immensely in thinking about both school and family in a prudent manner.”



THIS YEAR THE SCHOOL HAS INCREASED THE FUNDS AVAILABLE FOR FINANCIAL HELP BY 10 PERCENT”

OTHER HELP FOR IESE'S PROGRAMS

As well as the scholarships given out by IESE's Alumni Association, there are others for specific purposes, such as those directed at women, students with children, applicants from developing countries, and for entrepreneurs.

IESE also offers financial assistance to students on the MBA and Executive MBA programs. The scholarship fund gives out between 20 and 30 grants to students with exceptional academic records, and who have been shown to excel both professionally and in their personal lives.

MORE INFORMATION:
www.iese.edu/en/resources/financial-aid



“IESE was born to contribute to the integral education of business people”

Álvaro del Portillo
Chancellor of the University
of Navarra (1975-1994)

CARLOS CAVALLÉ
Professor Emeritus and Dean of IESE (1984-2001)

Many alumni will remember **Bishop Álvaro del Portillo**, who was chancellor of the University of Navarra from 1975 to 1994, the year he died. He had a reputation for holiness, and alumni will also recall that on the days following his death in Rome on March 23 of that year, numerous articles by religious and other public figures were published, in which they referred to him as “a man of God.”

Recently, his virtues have been publicly recognized by the ecclesiastical authorities and **Pope Francis** has announced that **Álvaro del Portillo’s** beatification ceremony will take place in Rome in 2014, on a date that will soon be announced.

This announcement is of special significance for IESE. Those of us who have shared the various projects carried out by IESE with **Mgr. Álvaro** in his role as university chancellor, have a rich store of memories whose value grows and shines with its own light.

Álvaro del Portillo was the successor to **Saint Josemaría Escrivá**, founder of Opus Dei and the University of Navarra. The newspaper articles highlighted “his extensive work as a priest; his willingness to do anything for the church and for the Pope; his innumerable missions around the world, where he met hundreds of thousands of people from every continent, and his generous Christian aid to anyone who sought advice or spiritual help, all of this backed by an exceptional human and professional personality.” (Cfr. Javier Medina Bayo; *Álvaro del Portillo, Un Hombre Fiel*. Rialp, 2013).

WITH ITS OWN LIGHT

● In January 21, 1989, the University of Navarra awarded an honorary doctorate to six distinguished professors from universities in a range of countries. One of them was **John McArthur**, who was then dean of Harvard Business School. While we prepared for the parade before the academic ceremony I had the opportunity to speak personally to **Álvaro del Portillo**, who gave me a clear, simple and profound message which had a huge impact on the work and teaching and research at IESE. What he said was “what you have to do at IESE is to act with a Christian sense of life in every task.”

I could have heard these same words many years earlier from the founder, **Saint Josemaría**, and they were IESE’s *raison d’être*, as well of a large part of society, as was shown some years later by **Benedict XVI**. In fact, in the Encyclical published in 2010 “*Caritas in Veritate*,” in Point 4 the pontiff affirms “adhering to the values of Christianity is not merely useful but essential for building a good society and for true integral human development.”

Along with this memory, it is fitting that I should refer to a way of putting into practice “the Christian sense of life” that **Álvaro del Portillo** often employed, citing **Saint Josemaría**: “a Christian should do all honest human work, be it intellectual or manual, with the great-

➤ WHAT YOU HAVE TO DO AT IESE IS TO ACT WITH A CHRISTIAN SENSE OF LIFE IN EVERY TASK”

Álvaro del Portillo

est perfection possible: with human perfection (professional competence) and with Christian perfection (for love of God’s Will and as a service to mankind).” (Cfr. *Conversations with Monsignor Escrivá de Balaguer*, Rialp, 1968). With a great respect for the freedom of ideas of its students, teachers and those who take part in its programs, this is something that IESE has worked to put into practice since it was founded in 1958.

Álvaro del Portillo did not limit himself to making recommendations to IESE, since it would be true to say that the school was close to his heart. On February 23, 1992, in a dedication in the visitor’s book on IESE’s Madrid campus, he wrote, “IESE was born with a great deal of grace to contribute to the all-round education of business people ... with much affection I give thanks to God for everything that I see here: the reality of a task that was beloved and blessed by the founder of Opus Dei and the University of Navarra, of which IESE is one of its schools.”

The following year, during a meeting with **Álvaro del Portillo** in Rome, he wanted to tell me about a comment **Pope John Paul II** made about the School’s work so that I could pass it on to all the staff. I’m afraid I don’t have the exact words to hand. **John Paul II** was aware of IESE’s educational work around the world, and he was particularly interested that at the time it had initiated academic education for the countries of Eastern and Central Europe, as well as the establishment and development of similar schools in other parts of the world. **Álvaro del Portillo** told me that **John Paul II** had said: “Social justice in the world requires the kind of work that IESE is doing directly or by developing and supporting other Business Schools in Eastern Europe and other parts of the world.”

For me it is a duty and an honor to put these memories at the disposal of everyone associated with IESE, with thanks and great admiration for our former chancellor.

JAUME BETRIAN, ORIOL CARRERAS AND THOMAS ROGGENDORF (MBA '12)

FINDING A NEEDLE IN A HAYSTACK

Ofertia, the digitalization of brochures

It's hard to find an online system capable of finding any product in a matter of minutes, but that's what Ofertia can offer. It has placed over 500 current catalogs— from major companies including Eroski, Hipercor and Vodafone—online, and makes their products searchable. It can locate the shop closest to the user and provides opening hours and any special offers available.

Thomas Roggendorf, Oriol Carreras and **Jaume Betrian** created Ofertia in August 2011 during the first year of the MBA program at IESE, and in a short period of time have managed to sign agreements with more than 40 major retailers. The Ofertia mobile app has become one of the most downloaded in Spain. All this with a team of 20 people.

"We started talking to Betrian about Ofertia during the first few weeks of the MBA," says **Roggendorf**. "I knew some people who had created a similar platform in Germany where I was studying. We drew up a business plan and got in touch with them." The next step was to find an investor. "You get to a point where you have to make a decision and commit yourself to what you believe in. We 'signed' **Carreras**, who was also on the program, and he took responsibility for the technical side of the project. We decided to start Ofertia with an initial funding of €40,000 out of our personal savings."

At almost the same time the Bönial International Group, a company operating in Germany with the same business model as Ofertia, signalled its interest in expanding internationally, and signalled that it was open to investment in Ofertia. In 2012 an investment agreement was signed.



From left to right, Jaume Betrian, Oriol Carreras and Thomas Roggendorf, all MBA '12

A year later, Ofertia closed an additional investment round, in which FINAVES—now a member of Ofertia's board—became involved, as did an investor in IESE's investment network, Inderhab Investments, the family office of the Botet family, who are former owners of the Caprabo supermarket chain. "These investments allowed us to enter the market more aggressively," said **Roggendorf**.

Ofertia launched its platform in April 2012, a few weeks before its founders completed their MBAs. One year on, the platform offers digital catalogs covering 12 sectors, from food to DIY, real estate and electronics, with the aim of facilitating its subscribers' day-to-day shopping while guaranteeing to retailers that their offers will be updated and available via any mobile device, which is much more effective than a printed catalogue.

PLANS FOR THE FUTURE

FINAVES' participation in the development of Ofertia "has been essential," says **Roggendorf**, "because it gives us constant support. Their suggestions and recommendations add value and, furthermore, they bring us contacts within the industry, which is fundamental when you're setting up a business." The goal is "to further grow the user base in Spain and expand the business internationally, maybe to Latin America, towards the end of this year," **Roggendorf** says. That will be the moment to initiate a new investment round. So far Ofertia's website has 1.5 million users a month, and there have been more than half a million downloads of its mobile apps.

MORE INFORMATION:
www.ofertia.com

LEADING GLOBAL CHANGE



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THE WAY TO NEW
OPPORTUNITIES.**

The Global CEO Program: A Transformational Journey (GCP) is the joint initiative of three top-ranked business schools with an overarching theme of identifying opportunities and challenging current business models in today's fast-changing business world.

A key feature of the success of this program is the Cross-Program Project. Throughout the course, executives will analyze a business challenge that is currently affecting their company and develop an action plan with valuable input from peers and faculty experts.

The GCP consists of three non-consecutive 1-week residential modules in Sao Paulo, Philadelphia and Shanghai. It now features a unique 1-week module in South Africa and Ghana that offers participants an invaluable opportunity to expand their professional networks, exchange valuable insights with senior executives from around the world and gain firsthand experience in emerging economies.



CNN WORLDWIDE CHIEF JEFF ZUCKER SPEAKS AT IESE IN NEW YORK

AS JOURNALISM WORLD CHANGES, ACCURACY STILL OUTWEIGHS SPEED

Talking at IESE's Global Leadership Forum, CNN Worldwide president Jeff Zucker explains his vision of the future of journalism.

Jeff Zucker doesn't want a fancy office. He'll opt for a seat in the newsroom any day. "As much fun as I've had in being an executive, there's nothing like being around live television and live news," the newly appointed, editorial-oriented president of CNN Worldwide told a group of executives at IESE Business School's New York Center on July 12.

"I grew up in journalism. I grew up in newspapers. I grew up in a television studio and control room. I love producing, and I'd like to think I have some ability at it. It's the best way for me to impart how we should be doing things," said Zucker, the featured guest at IESE's



➤ EVERYONE WHO HAS A CAMERA AND A TWITTER FEED THINKS THEY'RE A JOURNALIST NOW. I DON'T THINK IT'S THE ROLE OF CNN TO NECESSARILY HAVE TO BE FIRST, BECAUSE IT'S NOT POSSIBLE."

Global Leadership Forum. During the event, IESE's **Bill Baker** probed him with questions about the future of CNN, the business of news and news in general.

Hired fresh out of Harvard as an Olympic researcher for NBC in 1986, **Zucker** began a remarkable ascent through the ranks that landed him as president and CEO of NBC Universal in 2007. His tenure as president of CNN Worldwide officially began on January 1, 2013.

Baker pressed **Zucker** about the industry hurdles he faces at the forefront of CNN at a time of fast-changing technology and business models.

Addressing how CNN's content maintains a balance of audience wants versus needs, **Zucker** referenced his network's concurrent coverage of the coup in Egypt and the **George Zimmerman** trial, a case that has been highly politicized and racially divisive.

"I think you can absolutely cover both," said **Zucker**. "The history of CNN was formed in large part by the coverage of four significant events: Gulf War I and II, and the wall-to-wall coverage of O.J. and the human drama of a girl in a well, the rescue of baby Jessica. I'm not trying to equate a war and a girl in a well, but it's about the history of CNN. Covering the important and the human drama."

Expressing his concern about the declining business of American journalism, especially in the form of news-

papers, **Baker** shared his fears for the survival of less-funded forms of journalism, and how democracy might be affected by its ongoing decline.

REINVENT OR DIE

● "We've romanticized the piece of paper," **Zucker** argued. "There's been more change in media in the past five years than there's been in the previous 50. You cannot be above how people want to consume their news and information. Because at the end of the day, the consumer decides."

Still, **Zucker** expressed his belief in the commoditized value of good journalism, regardless of how it is consumed. "Great brands will survive."

And he held firm to this argument in regards to Facebook and Twitter and the exponential rise of crowd-sourced news and commentary.

"Everyone who has a camera and a Twitter feed thinks they're a journalist now. I don't think it's the role of CNN to necessarily have to be first, because it's not possible," he said.

Validity, then, will always outweigh a race to the breaking-news finish line for **Zucker's** network. "People come to CNN to see if it's true," says **Zucker**. "I don't care if we're last on reporting something. I want it to be right."

CEO OF HEINEKEN ADDRESSES ALUMNI AT CONTINUOUS EDUCATION SESSION IN THE HAGUE

“KNOWLEDGE IS KEY WHETHER YOU ARE IN INDIA OR KENYA”

● **Jean François van Boxmeer**, CEO of Heineken Holding, which markets some 250 beer brands around the world, insisted that knowledge “is what can make our company the best and the management at Heineken works to develop the necessary talent to manage the brands efficiently and to lead with courage.”

Most of the brands are local but one, which gives its name to the company, is one of the world’s leading beer brands. During the session titled “Heineken. How to Build a Global Brand” and held on June 25 in The Hague, **Van Boxmeer** talked about the history of the organiza-

tion, highlighting some of the key aspects of its success, such as having a presence in countries where others were not operating, such as the former Soviet Union, Japan, Africa and Latin America, during times of war as well as peace. “We Dutch are like that,” he said.

He added that Heineken is the only one of his beer brands whose strategy and policies are decided by headquarters. He explained that the rest of the brands are led and managed at a local level. One of the roles of the headquarters is to help and share knowledge with the different brands and their management teams in order to make them more

competitive and better informed. That is why they created their own corporate university, as well as a highly advanced and developed system of information sharing.

He repeated on several occasions that, while it is great to be big, at the same time, it’s preferable to be “the best.” This, he said, goes beyond just the product quality and includes design, communications and luck, as well as the company’s values, which are all about “people, people, people.”

The session was moderated by Prof. **Xavier Oliver** and was opened by **Javier Vallaura**, the Spanish ambassador to The Netherlands.

LAURENT FREIXE, EXECUTIVE VICE PRESIDENT, NESTLÉ

NESTLÉ’S STRATEGY OF THE VIRTUOUS CIRCLE

● Achieving efficiency, focusing investment on brands and innovation, managing the benefits of market share and achieving profitable growth—these are the elements that **Laurent Freixe**, executive vice president of Nestlé and director of the company’s European operations, calls the firm’s “strategic virtuous circle,” designed to maintain sustainable growth. One fascinating illustration of this model is the way in which the company revolutionized an apparently stagnant coffee market with the launch of Nespresso.

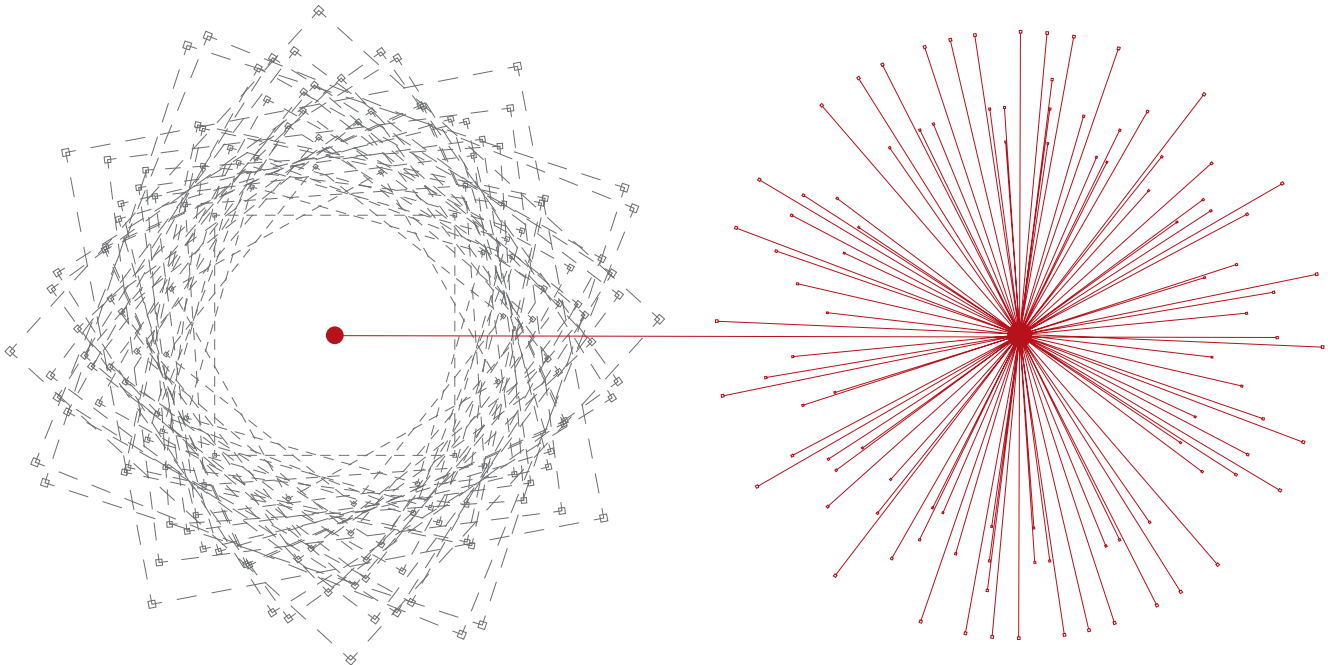


Laurent Freixe

Freixe led the session titled “Europe: Delivering in a Tough Climate,” which was held at Nestlé’s headquarters in Vevey, Switzerland on May 30. The session was moderated by Prof. **Mike Rosenberg**.

The large number of alumni in attendance had the opportunity to take a tour of the company’s emblematic facilities. During the visit, the group was introduced to the Digital Acceleration Team—a center for monitoring social networks and following online activity related to Nestlé and its other brands, another example of growth that is focused on the client.

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AWARDS



PROF. XAVIER VIVES

Economy Prize for Prof. Vives

Prof. **Xavier Vives** of IESE's Department of Economics has been awarded the "Rey Jaime I de Economía" prize, which recognizes outstanding achievement in teaching, research and advising in the area of economics and finance.

Vives was chosen for his work in the field of industrial organization theory, finance and regulation, particularly in the area of banking integration. The prize, sponsored by the Rey Jaime I Awards Foundation, was presented after the consideration of a jury that included 20 Nobel laureates.



PROF. SEBASTIAN REICHE

International HR Scholarly Research Award

Prof. **Sebastian Reiche** has been awarded the 2013 International HR Scholarly Research Award from the Human Resources Division of the Academy of Management, for his article "Knowledge Benefits of Social Capital Upon Repatriation: A Longitudinal Study of International Assignees."

LUIS DE GUINDOS, FINANCE AND COMPETITION MINISTER

Spanish economy is recovering



● "A year ago many doubts remained as to whether Spain could extricate itself from this situation and compete, but this year I believe these doubts have disappeared," **Luis de Guindos**, the Spanish finance and competition minister, told a Continuous Education session in Barcelona in July. The session was moderated by IESE Dean **Jordi Canals**.

The minister said he was "cautiously optimistic" that there were "positive signs" in the Spanish economy in the second half of the year. "It's competitive and has the capacity to grow. The road will be long and hard but the worst is behind us," he said.

He said that Spain was being viewed in a more positive light thanks to receding fears that the euro would break

up, the Greek rescue plan and moves towards banking union.

The Spanish labor market has stopped destroying jobs, he said and the banking system is much more solvent. "No other EU country is growing at the same speed this year," he said.

He listed several indicators that the recovery has begun. Firstly there has been a recovery in exports, and he added that domestic demand has stabilized and that employment figures are "corrective."

"Compared to 2010, the chance of recovery is better because we have adjusted the imbalances: we are more competitive, the banking system is stronger and the Spanish economy is more flexible," he said, adding "we have to make the most of our strengths."

CRISTÓBAL MONTORO, INLAND REVENUE AND PUBLIC ADMINISTRATION MINISTER

First Public Sector Conference in Madrid



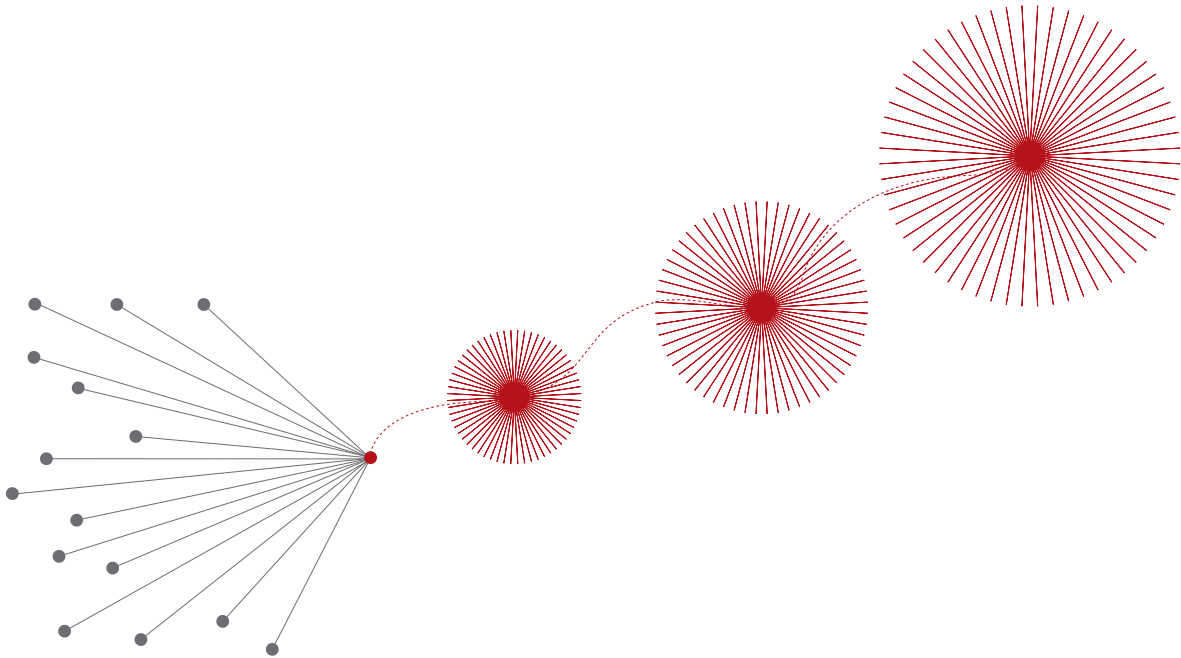
● The first Public Sector Conference was held on June 24 on IESE's Madrid campus. It was organized by IESE's Center for Public

Leadership and Government and sponsored by Altadis with the collaboration of KPMG.

The inland revenue and public administration minister, **Cristóbal Montoro**, said that the reform of public administration was "ambitious, overdue and much wanted," but that he was against carrying out major reforms of the state, and reiterated his conviction that these changes can be achieved through political agreements.

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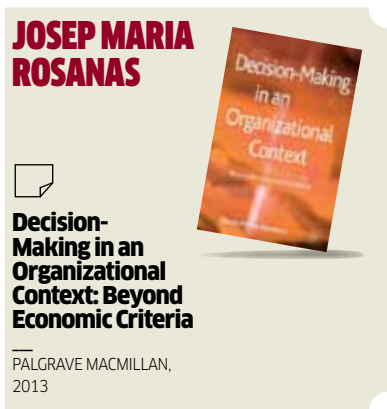
Its unique holistic approach to **enhancing business knowledge** and **leadership capabilities** will **improve your performance** and shape you into a well-rounded executive **ready to move forward in your career**.

You will collaborate with a pool of **high-caliber participants and faculty members** to develop a personalized **Executive Challenge** and a take-home agenda to ensure continued development.

The PLD consists of **three 1-week modules on IESE's Barcelona campus** followed by a **Short Focused Program (Barcelona-New York)** or the **Fast Forward Program (Barcelona)**.

THE ART OF DECISION-MAKING:

Effects on other people



Prof. Josep M. Rosanas

Decision-making is a risky business and the decisions we make have an impact on our lives and careers, but we also need to focus on the consequences of organizational decision-making on other people.

● Life is a series of decisions. Some are trivial—what to choose from the menu, which dress to wear—and others, such as the careers and life partners we choose, are fundamental in shaping our lives. Sometimes these decisions are linked: we may not have met our life partner if we hadn't decided to go to that party or take that job.

While decisions are conditioned by circumstances, when we say that we have no alternative what we really mean is we have not properly examined the alternatives, argues **Prof. Josep M. Rosanas**. And sometimes we make a problem into something impossible because we have blocked

ourselves to possible solutions or because we have set ourselves conditions that are difficult to fulfill. On the other hand, the “yes we can” approach can be helpful and, he claims, optimism can bring good luck.

Rosanas illustrates how decision-making in organizations has to go beyond economic criteria and the individual level, due to the impossibility of making decisions that do not affect other human beings. The book first reviews the conventional analy-

ses of decision-making, including the classical analysis of uncertainty and the multiple criteria decision-making with qualitative aspects, that do not take into account explicitly how decisions affect other people.

Following this, the author puts forward a model for analyzing decisions that takes into consideration the effects on other people. The book highlights the consequences of organizational decision-making and suggests the principles of effectiveness, attractiveness and unity of the organization that should guide it. **Rosanas** concludes by applying this framework of analysis to real-world situations.

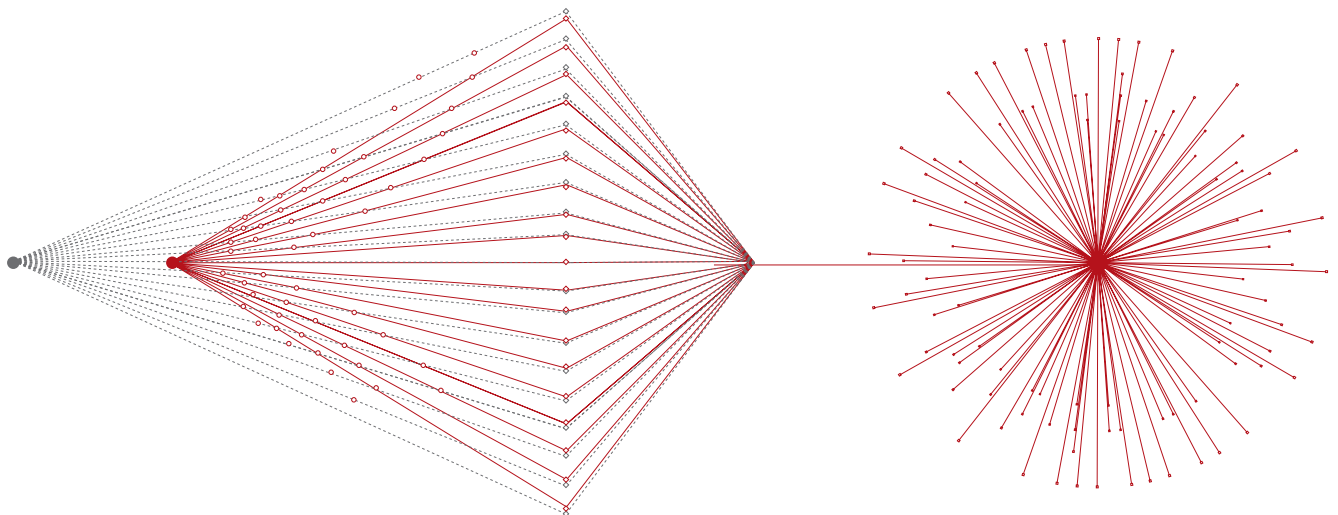
In the book **Rosanas** asserts that the “right” decision is not necessarily the same as a “successful” one, any more that an unsuccessful decision is necessarily wrong. All decisions are risky and we all have to take chances when making them, but we have to make them in the right way, analyzing the possible outcomes and balancing the risks.

Sometimes decisions can seem remote from real people. When we launch a product, for example, we tend to think of “the market” as an abstraction based on surveys and statistics and not the flesh and blood individuals who make up that market. But it is essential to think of people as real people, and to think of their real needs. Otherwise we will not be solving the real problem.

The right decision may not be successful, nor is an unsuccessful one always wrong

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THE LATEST ON IESE'S ALUMNI CHAPTERS

CHAPTER NEWS

WARSAW

May 14

- Prof. **Pablo Foncillas** explained to Polish alumni how to make the most of social networks in their companies, basing his comments on the conclusion that one out of three companies pays no attention to social networks in their marketing plans. Prof. **Radoslaw Koszewski** opened the session, titled "The Four Essential Steps in Social Media for General Managers."

ZURICH

May 16

- Swiss alumni held their traditional Bar of the Month celebration in May and later on June 19.

NEW YORK

May 17

- The New York center hosted the conference "The Mobile Industry: a Trigger in the World

Economy," which included contributions from **Xavier Trias**, the mayor of Barcelona and **Agustín Cordon**, executive vice president of Barcelona Mobile World Capital Foundation. The speakers said that Barcelona wants to become a showcase for innovation and the focus for the growth of mobile technologies. **Juan Manuel Barrionuevo**, director of strategy for the Barcelona Mobile World Capital Foundation; **Barbara Mallinson**, CEO of Obama; and **Pau Sabrià**, CEO of Olapic, also took part in a round table



MORE PHOTOS OF THE SESSIONS:
www.facebook.com/alumni.iese
www.twitter.com/iesealumni



discussion about Barcelona as the world mobile capital. They emphasized Barcelona's commitment to the mobile sector as a key aspect of the city's ability to attract major companies.

June 12

- Prof. **Sebastian Reiche** was the invited speaker at an alumni breakfast held at the New York center. He gave the talk "How to make Global Mobility Work." **Reiche** dispelled some myths about global mobility and made some suggestions about how to improve its management.

July 16

- Alumni met in New York to celebrate the summer Bar of the Season.

GENEVA

May 22

- Like their Zurich colleagues, Geneva alumni celebrated the Bar of the Month in May and June.

SÃO PAULO

May 22

- Prof. **Fernando Bagnoli** of the Instituto Superior da Empresa (ISE) in Brazil gave a talk at the school on a paradigmatic case of "The Internationalization of Brazilian Companies," using the example of the 2008 acquisition by InBev of Anheuser-Busch, owner of the Budweiser brand for 132 years.

June 26

- **Sergio Herz**, CEO of Livraria Cultura; **Matinas Suzuki**, executive director of Companhia das Letras, and **Paulo Ferreira**, dean of ISE Business School, took part in the colloquium "The Livraria Cultura Case Study: Growth Strategy: from Definition to Implementation."



1. New York 2. Mexico City

MEXICO CITY

May 24

- Alumni met for the conference "Planning and Follow-up Management: the Balanced Scorecard and Typical Mistakes," given by Prof. **Albert Fernández Terricabras**.

June 25

- The role of the executive is changing in these difficult and uncertain times. We can't develop business strategies for the 21st century with 20th-century organizations and executives. Prof. **Jaume Llopis** told Mexico alumni how to develop modern executives with reference to his book *Qué hacen los buenos*

directivos: el reto del siglo XXI (What makes a good executive: a 21st-century challenge), which examines what makes successful executives and how they go about their daily work. The Chapter thanks **Lourdes Arana** (EMBA '92) for the use of the facilities at Sura México.

BUENOS AIRES

May 30

- At a meeting organized by Argentina and Uruguay alumni and moderated by **Martín Agramonte** (MBA '99), **Juan José Aranguren**, president of Shell Argentina, discussed the energy situation in the country and laid out his vision for the future. He exchanged views with his audience on the role of



PARIS

MAY 23

● Create jobs, improve the financial sector and promote growth while remaining conscious of people's needs, putting an end to social inequality and encouraging environmentally friendly solutions. These are some of the challenges facing the countries that make up G20, according to the cabinet secretary of the OECD general secretariat **Gabriela Ramos**.

Ramos was taking part in an event on May 23 organized by French alumni in Paris. It was also attended by IESE Dean **Jordi Canals** and Prof. **José M. González-Páramo** who, with **Ramos**, discussed the situation and the challenges in the Eurozone. The meeting was opened by the Spanish ambassador to the OECD **Ricardo Diez-Hochleitner** whom IESE thanked for his help in organizing the event.

Canals reminded alumni of the school's long-term objectives while **González-Páramo** closed the proceedings with a discussion of current state of the Eurozone and how the European Central Bank has rescued the EU from disintegration. He emphasized the importance of banking and fiscal union in creating stability in the zone.



JUNE 3

● The president of the France Chapter **Gloria Perrier-Châtelain** invited alumni to the June session of the Dîner du Premier Lundi en Paris. Alumni met again for dinner on July 1.



business people and executives in Argentina. Among other things he urged them "to meet your obligations, respect the law and the rights of other people."

LIMA

JUNE 6

● Peru alumni, presided over by **Hugo Alegre**, decided to meet on the first Thursday of the month to trade anecdotes and share experiences.

JUNE 12

● The PAD business school in Lima offered its facilities for a session given by Prof. **Vicente Font** based on the case study "Qualitas," which looked at the changes in format, formula and design carried out by the supermarket chain.

JUNE 25

● Prof. **Nuria Chinchilla** gave a talk in Lima on "The Benefits of Reconciling Work, Family and Personal Life." Although conciliation is in fashion, she says it still remains difficult to achieve and people are often forced to choose between work, family and personal life. **Chinchilla** explained how a balance can be achieved.

JULY 12

● Prof. **Julián Villanueva** gave a talk based on the case study "elBulli: the Taste of Innovation," an excellent case study for a discussion about product innovation and the creation of a brand through word of mouth. The meeting was made possible by **Rafael Nieri** (MBA '01), who made the facilities of his restaurant amaZ available for the occasion. Participants and the professor discussed how elBulli and Ferran Adrià built their reputation, which led to the demand by a potential one million clients per year when the restaurant could only serve 8,000.



3

3. Lima 4. London



4

SINGAPORE

June 10

● Prof. **Pedro Videla** discussed the world economy with alumni with the emphasis on emerging markets. The Chapter thanks DBS Bank, strategic partner of HCLI, for the use of its facilities.

LONDON

June 11

● The latest “Entrepreneurs Breakfast Meeting” met in London to discuss “Impact Investing.” Speakers included Prof. **Heinrich Liechtenstein**, who talked about how to measure the impact of an investment, **Oliver Karius**, of LGT Venture Philanthropy, who shared his experiences in social investment, and **Nick O’Donohue**, of Big Society Capital, who described his company’s early days and how to make sustainable social investments in the U.K. The Chapter wishes to thank **Patrick Kelly** and Deutsche Bank for their help in organizing the event.

July 11

● U.K. alumni met at the offices of BlackRock in London for a talk by Prof. **Jan Simon** on “Guiding Retirement Saving Principles” in which he discussed the current pension system and explained how to avoid dependency and enjoy a retirement without money worries. **Paul Bucksey** of BlackRock was the moderator and there was a contri-

bution from the *Financial Times* correspondent **Norma Cohen**. The Chapter wishes to thank **Teri Tsuji** (MBA ’02) and BlackRock for their help in organizing the event.

VIENNA

June 21

● Austria alumni met in Vienna for a talk by Prof. **Joan Fontrodona** on “The Ethical Dimension of the Financial Crisis” and what values – or their absence – have contributed to the current crisis, what structures and policies caused them, how to get out of the situation and, above all, what lessons can be learned. The Chapter wishes to thank **Udo Birkner** and for help in organizing the event.

LISBON

June 27

● **Isabel Maria Ferreira**, CEO of Banco BEST, was the invited speaker at a session in Lisbon titled “Current Challenges of Online Banking and Asset Management.”

BOGOTÁ

July 5

● Prof. **Alberto Fernández Terricabras** spoke at INALDE in Bogotá about “Key Factors That Entrepreneurs Should Bear in Mind When Seeking Finance,” during which,

drawing on his experience in Finaves, he talked about common errors entrepreneurs make when negotiating with investors. The Chapter wishes to thank INALDE for help in organizing the event.

MUNICH

July 11

● German alumni met for a talk titled “The Future of Banking and Finance in Europe: A Challenging Environment” given by **Peter Buschbeck**, a member of the managing committee of HypoVereinsbank UniCredit Bank, and IESE Prof. **José Manuel González-Páramo**. Both talked about the difficult situation faced by European banks such as recovering prestige and profitability, regulatory reform and moves towards banking union.

MILAN

July 16

● **Marco Morgese** (MBA ’03) brought alumni together in Milan to celebrate the beginning of summer and to discuss ideas for the coming academic year.

BOSTON

July 24

● Alumni met to celebrate the Bar of the Season and be reunited with former classmates.

YOU'RE IN THE NEWS

ARE YOU IN THE NEWS?

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AMP '07

Antonio Ibáñez has joined as director of Daemon Quest, specializing in strategic marketing and sales.

GEMBA '08

James Agin has been appointed director of Corporate Banking at KBCGroup, where he has worked since 2009.

MBA '85



Germán García-Calderón has been re-elected president of the board of EURODIF,SA, the European

Consortium for the Enrichment of Uranium, whose headquarters are in Paris.

MBA '86

António de Magalhães Pires de Lima has been appointed Portuguese finance minister.

MBA '94



Tony Batlló (MBA '94 and Global CEO Program '13) has joined Mango as country manager for the Americas. He will be part of the company's

distribution team with responsibility for developing business in its own stores and franchises.

PDD-A-10

Juan Antonio Cano is the new finance director at Kellogg's Iberia.

LG Electronics Spain has named **Óscar Cabo** as its new sales director.

PDD-ZGZ-07

On August 4 two ArduSat satellites using Spanish technology were launched from the Tanegashima Space Center (TNSC) in Japan. The technology consisted of radiation measuring sensors developed by Libelium, whose head of R+D is **David Gascón**.

PDD-II-88



The president of Vodafone Spain and the Fundación Vodafone España, **Francisco Román**, has joined the board of assessment at the European University.

ENTREPRENEUR

MBA '13



The digital start-up Treeveo, Founded by **Jeroen Kemperman**, was one of the projects selected in 2013 by Wayra to receive development funding. After being chosen at "Wayra Week Barcelona 2013" on March 19 Treeveo received initial funding of €40,000, a rent-free workspace at the Telefónica

Tower in Barcelona for six months, mentoring and access to the platform's investors network.

PDD-3-08

Ignacio Alegre has decided to set up his own business, Exportize, to help companies to profitably export goods and maximize the business opportunities in other countries. The company also has a social purpose—the provision of opportunities for qualified people under 30 to gain access to the job market.

PDD-E-10

Bárbara de Cárdenas launched the initiative "no one without shoes." Bárbara's passion for fashion goes

beyond recommending things on the Internet. Since she began working with a soup kitchen in Madrid she realized that she had to do something more. "As a volunteer worker I realized that in general people in Spain tend to donate clothes but not shoes, whether because they're reluctant to part with them all because they're accustomed to throwing them out. That was when I got the idea of collecting shoes that were going to be thrown out, cleaning them up, get them repaired by a shoe mender, labeling them, putting them in boxes and donating them to help centers where they could be given to people who need them." And this was the basis for the social project "no one without shoes" which, because of its simple philosophy, is acquiring more supporters. "Little by little there are more people who are interested in contributing or involving themselves in the initiative and we



hope it will continue to grow in the future. However, the most important thing isn't to grow but always to follow the same fundamental ideas: we never offer shoes that are in bad condition even if they are new because we believe it is essential to contribute to improving the sense of dignity of the people who need them."

EXECUTIVE EDUCATION GRADUATIONS



1. GLOBAL CEO PROGRAM
P: Paul McGilvery

2. PLD NY-Miami
P: Miguel Molina Cusculluela
S: Patricio Garcia Cano

3. AMP MEDIA AND ENTERTAINMENT
P: Alison J. Choppelas
and Pálmi Guðmundsson

4. AMP Barcelona 2013 - Fall Edition
P: Jacobus Johannes de Heus
VP: Allanna McAspurn

5. PLD Barcelona 2013 - Spring Edition
P: Catherine Capdeville
VP: Sigthrudur Armann

P: President
VP: Vice President
S: Secretary

CAREER OPPORTUNITIES

SEARCHING FOR IESE TALENT: EASIER THAN EVER



ADVANTAGES FOR MEMBERS

	<p>ONLINE PROFILE</p> <ul style="list-style-type: none"> Alumni can import their details directly from their LinkedIn profile with a single click without having to introduce the information. 	
	<ul style="list-style-type: none"> They can present their profile in two languages (Spanish or English and choose how to present themselves for each job offer). 	
	<ul style="list-style-type: none"> They can choose in which way they want to be visible, including which documents and to what degree: complete profile or visiting card (basic information). 	
	<ul style="list-style-type: none"> They can create a CV from this online profile, exporting the information to a Word document or converting it into a PDF. 	
	<p>ONLINE LIBRARY</p> <ul style="list-style-type: none"> Allows storage of all relevant documents (CV, business cards, references) to send to different job offers without needing to post them each time. Candidates can choose which of them they wish to attach, on each occasion marking those that they consider most important. 	
	<p>ALERTS</p> <ul style="list-style-type: none"> This function allows members to receive alerts about offers that coincide with their preferences: sector, area, geographical location, type of offer. These offers remain stored in "offers waiting to be reviewed" in the area specified. 	
	<p>COMPATIBLE WITH IPADS AND OTHER MOBILE DEVICES</p>	

Since last March members have had access to a new, versatile and very functional tool that allows them to view offers of work from **companies that contact IESE in search of talent.** The platform also offers companies various options that they can use in the selection process.

MORE THAN 2,000 OFFERS WITH ONE CLICK



ADVANTAGES FOR BUSINESSES

CRITERIA TO PRIORITIZE

- The company can specify the requirements of the published job offer.

AUTOMATIC RANKING

- Members who apply for a job are ranked in order of compliance with the relevant requirements.

AT A GLANCE

- The recruiter can view all of the information about the different candidates on a single screen.

JUST ONE CLICK

- The company has easy access to the candidate's profile, where they will find all of the relevant information (CV, business card and additional documents).
- It can manage the process, keeping the candidate informed at each stage.

FURTHERMORE, OTHER SERVICES AND ADVANTAGES ON OFFER

The Association offers its members other services and tools, such as:

Professional help

Alumni can have a one-to-one interview with an external consultant on IESE's Madrid or Barcelona campus. The "professional support interview" offers the opportunity to share opinions, settle doubts, improve the way in which we usually think about our professional career and orient it towards action, and to discuss a strategy for seeking new professional opportunities. This may be requested via the web page.

The SUCCEED platform:

Members will find content and tools to help them think about and plan their personal and professional career. The platform is structured in seven different phases: self knowledge, understanding the market, focus, creating your brand, carrying out your action plan, assessing your opportunities and developing your future career plan.

MORE INFORMATION

www.iese.edu/professionaldevelopmentsucceed



Are Moral Competences Important?



DOMÈNEC MELÉ

Professor of Business Ethics
and Chairman of the Chair of Business Ethics

There is a growing interest in assessing the competencies that executives need in order to be successful. There are competencies that reflect the executive's moral character, that is, his or her: moral traits. Are they important?

When it comes to decision-making, it's easy to see the importance of being determined, prudent, objective and responsible. Being determined means not only avoiding unnecessary delay but also precludes hastiness. Prudence leads you to think about your decisions and their consequences and to decide which action is appropriate in each case, and to establish priorities based on those criteria. Objectivity seeks reliable data without discounting intuition. A good manager assumes responsibility for his or her actions and their consequences, without blaming anyone else.

Let's look at this from another point of view. Dealing with problems is part of an executive's job. It requires patience and courage to overcome obstacles as they arise. Problems sometimes derive from oneself, through a lack of professional will or laziness. This is where diligence and constancy come in, having the tenacity to carry out the tasks in hand and on schedule. It's important to be magnanimous, too, and to set aims high, as well as avoiding pettiness or refusing to confront difficult situations.

Emotional self-control is also important, and affects both oneself and others. Giving in to anger can lead you to mistreat others and create enemies. Becoming depressed over an error or failure affects

how you and those around you work. Your character also affects relationships, as does being sensitive when it comes to making difficult decisions, without wounding or humiliating others.

Humility is important, too. A lack of humility blinds the executive to his or her own errors. Arrogance creates a hostile environment and undervaluing others erodes their willingness to cooperate.

In the corporate world it is vital to have a spirit of service, without putting individual interests above the common good. The importance of moral competencies is clear when it comes to performance appraisal and human relations. Here the primordial traits are: a sense of justice;—respect for the rights of others,— and truthfulness—, including an unwillingness to mislead or create false expectations.

These competencies, along with a sense of commitment and being as good as his or her word, make for a trustworthy executive. Sensitivity to other people, helping them with their problems and their aspirations leads to a correspondingly positive response. Benevolence—understood in the literal sense of seeking good—contributes to others' development. This means seeking these same moral traits in others by acting with reciprocity: putting yourself in another's shoes, encouraging initiative and suggesting rather than imposing ideas—all of this with generosity and without asking for anything in return.

Certainly, moral competencies are important and deserve more attention.

MORE INFORMATION: blog.iese.edu/eticaempresarial/en



Take Your Place. Get Ready to Perform

Extreme Brand
Management

Global Web Content
Management

Integrated Multi-Channel
Publishing

Targeting, Profiling &
Personalization

Successfully engage with your audiences through multiple websites,
in multiple languages, across multiple channels, with multiple brands.

Online Customer Experience Management

One day, RICOH
imagined
collaborating with
the world's best
business schools.
It imagined that
students from these
schools could access
to the right
information, in the
right place and at
the right time.
It imagined an
excellent service
for the future
executives.
That goal was
achieved.

RICOH
imagine. change.



One day
RICOH
imagined
change.

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