

**Joan Fontrodona
and Guillermo Casasnovas**
Benefit vs. Profit

Josep M. Rosanas
Consistent Decisions, Trust and
Being Mindful of Consequences

Joan E. Ricart
Bengt Holmstrom
and Contract Theory

The Global Alumni
Reunion brought
together 2,500
alumni, who
inspired and
were inspired by
leaders making
an impact

MAKING
CHANGE
HAPPEN



NEW
Alumni
APP
More
information:
P. 40



**BE
THE
CHANGE**

LEADERSHIP FOR A POSITIVE NEW ERA

IESE GLOBAL ALUMNI REUNION
NOVEMBER 10-12, 2016
BARCELONA

THANK YOU VERY MUCH FOR YOUR SUPPORT!

GOLD SPONSOR



CaixaBank

SILVER SPONSOR

Ermenegildo Zegna

COLLABORATING COMPANIES

Alfa consulting
CORDENCE WORLDWIDE

B Sabadell

BODEGAS Y VIÑEDOS
CODORNÍU RAVENTÓS
DESDE 1551

Damm

Deloitte.

Eurest

Fairmont
REY JUAN CARLOS I
BARCELONA

gasNatural
fenosa

GRUPO **JULIA**

HAVAS
MEDIA GROUP

Ibéricos **COVAP**
MOMENTOS DE PLACER



NESPRESSO


PALAU DE CONGRESSOS
DE CATALUNYA
BARCELONA

Quely

Steelcase

SEE YOU IN MADRID FOR THE 2017
GLOBAL ALUMNI REUNION:
NOVEMBER 17

COVER STORY



2016 Global Alumni Reunion MAKING CHANGE HAPPEN

8

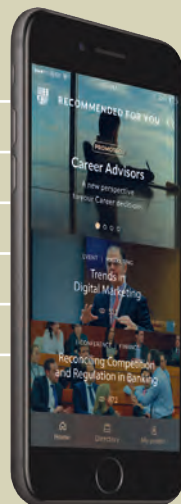
IDEAS

**THE B CORP MOVEMENT
REDEFINES THE ROLE OF BUSINESS**
Benefit vs. Profit
Joan Fontrodona
and Guillermo Casanovas **24**



**JUAN A. PÉREZ LÓPEZ:
THE VIEW FROM 2016**
Consistent Decisions, Trust and
Being Mindful of Consequences
Josep M. Rosanas **28**

CHECK OUT
THE NEW
ALUMNI
APP



ACCESS TO
THE ALUMNI
COMMUNITY
IS EASIER
THAN EVER

40

CROSSROADS

**EFMD CONFERENCE ON BUSINESS
EDUCATION**
“How We Teach Should
Change” **38**


**FOUNDATIONS OF MANAGEMENT
SPECIALIZATION: A COURSERA HIGHLIGHT**
Global Taste of IESE
Education via the Internet **39**

**2ND INTERNATIONAL
SEARCH FUND CONFERENCE**
Don't Start a Company;
Buy One and Help It Grow **44**



REFLECTIONS IN NEW YORK AND LONDON
What's Fixed and What's
Next for Banking? **46**

“LA CAIXA” CHAIR ANNIVERSARY
A Decade Researching
Social Responsibility **50**

THE KEYS TO VALUE INVESTING How to Manage a Securities Portfolio	52
MBA CAREER FORUM Companies Seek New Capabilities	54
EXECUTIVE MANAGEMENT SIMULATION PROGRAM Would You Know How to Report to a Board?	56
INDUSTRY MEETINGS Highlights	58
	
WHY DID HANIEL GROUP'S LEADERSHIP CHOOSE IESE? Looking for a New Mindset for the Digital Era	60
THE IESE MBA, ACCORDING TO THE ECONOMIST First in Europe, 8th Worldwide	61
AGENDA	64

PEOPLE



WEGROW: MENTORING FOR ENTREPRENEURS "Sometimes what an entrepreneur considers important isn't, actually"	70
YOU'RE IN THE NEWS	74

LIFE

CHAPTER NEWS	80
EXECUTIVE EDUCATION GRADUATIONS	85

IESE & YOU

VOLATILITY, UNCERTAINTY, COMPLEXITY AND AMBIGUITY Success in a VUCA World	86
---	-----------

LAST WORD

JOAN E. RICART Bengt Holmstrom and Contract Theory	88
---	-----------

CROSSROADS

34

INNOVATION IN EXECUTIVE EDUCATION GETTING BETTER ALL THE TIME



PEOPLE

**KRISTOFF
PUELINCKX
(MBA '96)**

"YOU
CAN
ALWAYS
DO MORE
WITH
LESS"

66



IESE

ALUMNI MAGAZINE

144

January-March
2017

www.iese.edu/alumni



General Circulation

42,141

Spanish Edition: 33,616

English Edition: 8,525

Editorial Director Emeritus

Antonio Argandoña

Managing Director

Aida Rueda

Managing Editor

Maria Subarroca

Editor

Ana Galán

Senior Editor, English Edition

Sally Davies

Contributors

Cristina Aced

Edu Ferrer Alcover

Marcella Moohan

Javier Pampliega

Roger Perelló

Steve Tallantyre

Larisa Tatge

Miquel Utset

Photography

Javier Arias, Anders Birger, Jordi Estruch,

Jose Farinha, Edu Ferrer Alcover, Edwin

Koutstaal, Pili Martínez, Tito Rolon, Roger

Rovira, Julie Skarratt, Jordi Tarrés, Juan Ude,

Raül Urbina

Illustrations

Luciano Lozano

Ana Yael

Infography

Errea Comunicación

(www.erreacomunicacion.com)

Design and Layout

Enric J. Gisbert

Proofreader

Mary Brennan

Advertising

M&N Consulting - Antonio Moré

Tel: 93 544 12 34

Printing

QP Print

Published by

IESE Business School - University of Navarra

Depósito legal B.23.746-1963

ISSN 1138/2333

The opinions expressed in the articles published in this magazine are solely those of the authors. Articles may be reproduced, provided that the original source is indicated.



IESE/University of Navarra

Alumni Magazine

Avda. Pearson, 21. 08034 Barcelona

Tel: 93 253 42 00 • Fax: 93 253 43 43

Cno. del Cerro del Águila, 3

Ctra. de Castilla, km 5, 180. 28023 Madrid

Tel: 91 211 30 00 • Fax: 91 357 29 13

www.ee-iese.com

Index of Companies

50oro.....74	Costers del Prior.....86	Ibero-American Conference.....8	Pzena Investment
A.T. Kearney.....54, 86	Coursera.....38	IBM.....8, 74, 86	Management.....52
Abbey Road Studios.....37	Creative Beauty.....34	Impactmedia.....8	Quely.....8
Academy of Management.....32	Crédit Andorra.....86	Imperial Tobacco Group.....74	Rakuten.....86
AEBAN.....74	Cuento de Luz.....24	Institute of International	Randstad.....86
Agencia EFE.....8	Damm.....8	Finance.....46	Reig Capital Group.....56
Airbnb.....8	Danone.....24	Investa.....86	Ricoh.....86
AIW.....58	Dayco.....74	J.P. Morgan.....24	Rockefeller Foundation.....74
ALBA Sincrotrón.....8	Debenhams.....74	Jamónprivé.....74	Rocketrent.....74
Alfa Consulting.....8	Deloitte.....8, 24	Johnnie Walker.....86	Royal European
Allianz Seguros.....58	Delta Partners.....66	JP Morgan Chase.....46	Academy of Doctors.....72
Alstom.....72	Deutsche Bank.....46	JT International.....8	Sartia Formación.....58
Altadis.....74	Dotot.....86	Key Capital Partners.....86	Seatiger y Conde.....58, 74
Amazon.....8	Doppel.....86	KIBOW Impact Investment.....86	Seeleiger y Conde.....86
American Express.....62	eBay.....58	Kickstarter.....24	Seguros Generales
Aperitivos Medina.....74	Edelman.....24	KOMPUESTOS.....56	de Catalana Occidente.....74
Apple.....40, 86	EFMD.....39	KPMG.....62	Shinkin Central Bank.....86
Applus Norcontrol.....56	Egon Zehnder.....86	La Casa de Carlota.....24	Siemens.....52
Arbora & Ausonia.....86	ET Health.....61	La Galiana.....74	Skype.....8
Arcas.....70	EMI.....86	La Nación.....86	SMH Capital.....62
Asociación Española	Ermenegildo Zegna.....8	Laboratorios Esteve.....56	Social Investment Partners.....86
de Laboratorios de	Ernst & Young.....8	Le Monde.....8	Stanford University.....44, 86
Medicamentos Huérfanos	Etsy.....24	Lear Corporation.....74	Steelcase.....8
y Ultrahuérfanos.....74	Eurest.....8	Lehman Brothers.....8	StepStone.....74
Association to Advance	Eurofret.....34	Lexmark Enterprise	Strategic Knowledge Services.....86
Collegiate Schools of	Europa Prima.....8	Lehman Brothers.....8	Strategic Management
Business.....74	European Academy of	Lidl.....56	Society.....52
AXIOM.....86	Management and Business	Linkedin.....58	Strathmore Business School.....62
B Lab.....24	Economics.....72	Lombia Capital.....44	Succession Associates.....44
BacktoRoots.....56	European Association	Mango.....8	Tailor4Less.....70
Banc Sabadell.....8	for Research in Industrial	McKinsey & Company.....86	Telanto.....8
Banco de Alimentos.....74	Economics.....72	Media Markt.....60	Telefonica.....8, 74
Banco Popular.....74	European Central Bank.....46	Metro Group.....60	Tennium.....66
Banco Sabadell.....56	EVO Banco.....74	Michigan Ross.....64	The Economist.....61, 62
Bank for International	Expansion.....8	Microsoft.....75	The Photographer's Gallery.....86
Settlements.....46	Fairmont.....8	Miquel y Costas.....74	Toshiba Corporation.....86
Barclays.....8	Federal Reserve	Mirabaud.....74	Trail Mark Partners.....44
BASF Management Consulting.....24	Bank of New York.....46	Mirabla.....44	Transición.....44
BBMC.....74	Financial Times.....34, 39	MIT.....86, 88	Treatwell.....74
BBVA.....46, 75	Forza Card.....86	Montañez & Co.....8	Trescasas.....86
Ben & Jerry's.....24	France-Amériques.....86	Moss Perform.....86	Triodos Bank.....24
Benetton.....56	Fremont Ventures.....44	Mount Sinai Hospital.....8	TXU.....74
BeRepublic.....58	Fujiitsu.....74	Natura.....24	UGT.....56
Bertschi.....74	Fundación Boscan.....74	Nespresso.....8	Unilever.....24, 34
BMW.....58	GAMCO Investors.....74	Neucom.....24	Unit4.....74
Bosch.....52	Gas Cas.....38	Nielsen.....24	UNited Nations.....66, 75
Brandeis University.....46	Gas Natural Fenosa.....8	Nippon Foundation.....86	Universitat Pompeu Fabra.....86
Bridgewater Associates.....86	GE Healthcare.....58	Nissan.....58	University of Cambridge.....86
Cabides & Partners.....74	General Electric.....72	NN Investment Partners.....74	University of Chicago.....86
Caesars.....8	GENIE.....61	Nobel Prize.....28, 86, 88	University of Oxford.....8, 24, 46
CaixaBank.....8, 50	Goodwin Procter.....44	Olipic.....74	University of Pennsylvania.....66
Calidad Pascual.....58	Google.....8, 40, 74, 86	Oliver Wyman.....66	Varma.....74
Carnegie Mellon University.....28	Gratton.....74	Openbravo.....8	Veritas.....24
CEIBS.....39	Grohe.....8	PAD.....86	Viacom.....74
Change.org.....24	Grupo Juliá.....8	PageGroup.....86	VISA.....62
Chatham House.....46	Haniel.....60	Palau de Congressos	VMI Collective.....8
CHP.....74	Harvard University.....28, 61, 86	de Catalunya.....8	Wallapp.....56
Cinepolis.....62	Havas Group.....8	Partner Ventures.....44	WILX.....56
Citi.....46	Hawaiian Paddle Sports.....24	Patagonia.....24	Wuaki.tv.....56
Click Babá.....74	Hertz.....74	People Who.....24	Xabec.....74
CNMV.....74	Holaluz.....8	Pilz.....74	Yale University.....86
Coca-Cola.....74	HP.....8	piacotebo.....56	Yos Capital Partners.....86
Codorno Reventós.....74	HP.....8	Plus Ultra Seguros.....74	Yos Rocher.....74
Columbia University.....46, 86	Human Capital Institute.....86	Procter & Gamble.....86	Zalando.....58
Consilium SCR.....86	Ibericos Copav.....8	Puig.....8	Zoetis.....62

Index of Alumni

Agramonte, Martín (MBA '99).....80	Collfang, Jacques (CEMBA '02).....8	Jooste, Magdelene (CEMBA '16).....8	Pérez, Frank (PDG '16).....34
Alberdingk Thijm, Philip (MBA '89).....80	Colomar, Maria (EMBA '16).....56	Jordan, Alejandro (MBA '93).....8	Pico, Antoni (PDG '14).....8
Almirall, Pablo (EMBA '99).....74	Colomé, Jordi (PDD '05).....74	Kawana, Yohei (MBA '10).....62	Pico, Antoni (PDG '14).....8
Alonso, Ignacio (PDD '16).....74	Colomer, Ariadna (PDG '16).....34	Kerzel, Timo (EMBA '12).....8	Pijoan, David (MBA '93).....8
Alvarez, Cristina (PDD '01).....74	Comde, Jorge (PDD '15).....74	de Kinderen, Jost (CEMBA '10).....8	Piñanes, Tania (EMBA '16).....52
del Ama, Cristina (PDD '04).....58	Confalone, Valentino (MBA '01).....80	Klein, Gabriel (AMP '13).....74	Puekenhake, Kristoff (MBA '96).....66
Amaral, Adriano (MBA '94).....80	Costa, Matteo (MBA '16).....74	Knudsen, Martin N. (MBA '05).....80	Pujol, Victor (EMBA '12).....8
Amstutz, Philippe (CEMBA '10).....8	Crespo, Macarena (EMBA '16).....8	Lambert, Axel (MBA '01).....80	Quintana, Pere (PDD '16).....8
Lüster, Esther (PDD '04).....8	Cuenca, David (PDG '10).....74	Lamfuss, Pablo (EMBA '16).....8	Ramos, Abel (PDD '16).....8
Andrade, Taric (EMBA '15).....74	Daura, Jose (AMP '16).....80	Larena, Pablo (MBA '89).....74	Recio, Hector (PDD '16).....8
Andras, Bence (AMP '07).....80	Delgado, Angeles (PDD '94).....74	Levoni, Paolo (MBA '02).....58	Riesco, Juan Francisco (EMBA '16).....8
André, Boeder (CEMBA '16).....8	Domingo, Diana (EMBA '11).....8	Llober, Jordi (PDG '14).....56	Rilling, Jürgen (MBA '99).....44
Aragón, Oscar (PDG '14).....8	Domingo, Monsá (PDD '16).....8	Londrino, Luis Fernando (MBA '03).....80	Rivera, Carlos (PDG '16).....74
Arteaga, Jorge (AMP '09).....8	Dorn, Mark (CEMBA '03).....54	López Vives, Juan Carlos (PADE '02).....8	Rodes, Josep (EMBA '15).....8
Attar, Nani (MBA '08).....8	Durán, Alberto (MBA '98 & PADE '08).....74	Mallol, Jordi (EMBA '16).....56	Romeo, Gonzalo (EMBA '94).....74
Baltar, Pilar (CEMBA '07).....80	Espinall, Josep Maria (MBA '94).....74	Maritan, Giorgio (PADE '09).....74	Rosales, Alex (EMBA '11).....8
Bardal, César (MBA '82).....74	Faus, Ramon (PDD '15).....74	Martín, Jose Gabriel (EMBA '16).....8	Rubio, Ulises (EMBA '16).....8
Barral, Elisa (PDG '09).....8	Fawzy, Hussam (CEMBA '16).....8	Martín, José Gabriel (PDG '89).....70	Ruessel, Christoph (AMP '13).....8
Bartolomé, León (MBA '84).....44	Federighi, Giancarlo (EMBA '16).....8	Martínez de Hurtado, Eladio (PADE '11).....74	Ruiz, Xavier (PDG '14).....8
Basolas, Antonio (CP '15).....8	Fernández, Andreu (MBA '08).....70	Mercader, Jordi (MBA '03).....74	Saiz, José Luis (PDG '07).....58
Baz, David (EMBA '16).....8	Fernández, Cristina (PDD '15).....8	Mira, Miquel (PDD '07).....74	Sanfeliu, Josep (MBA '06).....8
Biasco, Nuria (PDD '12).....8	Fernández, Juana (PDD '15).....8	Mirov, Venislava (CEMBA '16).....8	Santos-Suárez, Juan Manuel (MBA '78).....74
von Boeselager, Georg (AMP '08).....80	Ferraro, Luca (CEMBA '14).....8	Molina, Carlos (EMBA '94).....74	Sarjanovich, Maria (PDG '14).....8
Borrell, Jordi (PDD '05).....8	Ferrer Grifols, José Antonio (PDD '11).....74	Mollner, Pablo (MBA '97).....54	Rubio, Mariano (EMBA '15).....8
Boyer, Erik (CEMBA '05).....80	Ferrera, Jose Maria (PDD '04).....74	Molto, Oriol (PDD '17).....8	Schor, Gérard (MBA '91).....80
Buño, Vernon (MBA '03).....58	Fuentes, Enrique (MBA '89).....74	Montero, Ignacio (PDD '16).....8	Schwarz, Markus (MBA '96).....80
Caballero, Oscar (PDD '12).....8	García, Alfredo (MBA '93).....8	Montserrat, Josep Maria (PDG '14).....8	Solana, Joaquin (PADE '99).....74
Cabez, Ricard (PDD '11).....8	García, Victoria (PDD '14).....8	Morcu, Alejandro (PDD '12).....74	Storck, Thomas (MBA '13).....8
Cabecas, Isaac (EMBA '16).....8	Garrido, Victoria (EMBA '16).....8	Morgese, Marco (MBA '03).....80	Sudré, Patricia (MBA '90).....74
Cabides, Luis Martín (MBA '05).....8	Chica, Cristina (CEMBA '16).....8	Moya, Daniel (EMBA '07).....74	Tarragona, Carlos (EMBA '16).....56
Candler, Sebastian (MBA '99).....74	Ol, Victor (PDD '12).....8	Moya, Miquel (EMBA '09).....80	Tenza, Marcelo (PDG '14).....8
Cárdenas, Diego (MBA '96).....80	Ortiz, Andrea (MBA '12).....74	Munson-Montañez, Jennifer (AMP '14).....8	Tornini, Paola (PDG '14).....8
Cardona, Jos (EMBA '08).....8	Gratton, Sam (MBA '12).....74	Nagashima, Dai (MBA '16).....62	Trespaik, Gemma (EMBA '16).....8
Carniero, Fabio Magalhães (PMD '16).....80	Gruolos, Nicolas (EMBA '16).....56	Núñez, José Antonio (PDG '14).....8	Uchigashi, Shigeki (MBA '11).....80
Carniello, Marco (MBA '09).....8	Hernández, Javier (EMBA '08).....8	Oliveira, Carlos (MBA '98).....74	Ures, Inés (EMBA '16).....74
Carreño, Luis (PDD '16).....8	Hidalgó, Elena (PDD '16).....8	Oteros, Javier (EMBA '16).....8	Vela, Carlos (PDD '17).....8
Carrera, Oscar (EMBA '04).....8	Hondong, Cindy (EMBA '14).....80	Pallier, Julien (EMBA '12).....74	Velázquez, Victoria (EMBA '10).....8
Casacuberta, Gonzalo (EMBA '15).....8	Igarashi, Satoshi (MBA '07).....80	Pascual, Julio (MBA '12).....74	Vellilla, Ricardo (MBA '15).....44
Casas, Pep (EMBA '99).....74	Imako, Shota (MBA '98).....80	Pastor, Pablo (PDD '11).....74	Ventura, Ignacio (PDD '16).....8
Castro, Maria Eugenia (PDD '16).....8	Ivern, Thais Ivern (MBA '01).....8	Pastor, Ramon (PDD '01).....8	Vila Tortosa, José (MBA '88).....74
Cea, Carmen (EMBA '16).....8	Iwasaki, Tomoya (MBA '12).....62	Peraita, Carlos (MBA '87).....74	Vila, Oriol (EMBA '09).....80
Centeno, Francisco (MBA '87).....56	Jacá, David (MBA '16).....44	Pereira, Francisco Javier (PDG '15).....8	Wattiaux, Laurent (AMP '16).....80
Cherigatte, Jefferson de Lima (PMD '16).....80	Jaumandreu, Alejandro (EMBA '16).....56		Wong, Tina (MBA '13).....8
Chimeno, José Gabriel (PDG '95).....80			Ybarra, Paco (MBA '87).....80
Clemens, Fuensila (MBA '00).....74			Yoshida, Tadasuke (MBA '15).....62
			Yu, Myra (MBA '99).....80

Numbers refer to the first page of the article in which the alumnus appears.

We don't stop growing
so that you keep going.



ENGINES OF CHANGE IN SOCIETY



**ANTONIO
ARGANDOÑA**

Editorial director
of Alumni Magazine
argandoña@iese.edu

“H asn’t IESE changed since I did the program four decades ago!” This is what I heard from an alumnus who held senior positions in multinational companies until his retirement. I agreed with him, and asked him what he thought of those changes. He was silent for a moment and then answered that of course in a changing world IESE couldn’t stay the same; that would be like lying down in a corner to die. But he added something that seemed important to me: IESE, he told me, has not been towed along by the changes around it. Rather, IESE itself has been an engine of many of those changes, and I added: it seems to me that what IESE has been doing since its founding is to put its students and program participants face to face with the responsibility that they have to their companies, to other individuals and to society. And this is the engine that has changed so many things in society. These changes have not been flashy or “disruptive,” as we now say, but they have been decisive for the wellbeing of many people. These are changes that won’t pass into the annals of history. But, as in the **James Stewart** film, *It’s a Wonderful Life*, which I saw many years ago, these subtle changes have transformed lives.

“Antonio,” says the reader, “you’re getting old and sentimental.” Yes, it’s true. It must be a fact of life: many years ago I realized that the great economists ended their academic careers doing more philosophy than mathematics. In any case, am I not right? If you think I’m wrong, look at what we did in November at the Global Alumni Reunion in Barcelona: reflect on the need to reinvent ourselves, to change, to be aware of the responsibilities that we talked about years ago, of not reacting passively to the changes that come from outside... And we talked about working with others, about listening, about letting ourselves be influenced by the ideas and capabilities of our colleagues, about giving. But, how many people nowadays contend that to lead is to give, or to give of oneself? Well, Professor **Josep M. Rosanas** does, recalling the ideas of **Juan A. Pérez López**, our dear professor. If only managers remembered more often that we lead through people, through whom we channel our ideas! Professor **Joan Fontrodona** and **Guillermo Casanovas** propose a “different” business model, the B Corporation, which focuses not only on profit but also on the social improvements that it creates around it. But we don’t need to change the legal structure of our companies; all companies should act this way.

At IESE there are many changes. Don’t miss the new Alumni app, which will help you stay – how to put it? – connected to IESE every day, working with us and helping us change society. Thanks to all of you for your collaboration.



STRATEGY IN ACTION

WORKING TOGETHER FOR EXCELLENCE

- Meeting challenges with a winning strategy
- Engaging and leveraging resources and maximizing efficiency
- Creating a dynamic and culture of sustained operational excellence

EFESO Consulting is a strategy and operational excellence consultancy, present in 26 countries for more than 35 years.

efeso.com

EFESO
CONSULTING

Contact in Spain: info.iberian-peninsula@efeso.com



2016 GLOBAL ALUMNI REUNION

MAKING CHANGE HAPPEN



In 2016, we have seen transformations and accelerating trends in geopolitics, technology and economics. The business community must do more than embrace change: its members must be the change. That responsibility was reflected in the title of IESE's 2016 Global Alumni Reunion, held in Barcelona from November 10-12. "Be the Change: Leadership for a Positive New Era" saw over 2,500 delegates gather to inspire and be inspired by scientists, business leaders and entrepreneurs. As the Reunion's academic directors, Profs. **Africa Ariño** and **Núria Mas**, said, "there's only one time to build tomorrow - and that's today."

C O V E R S T O R Y



- 1. IESE Dean Franz Heukamp.
- 2. The Palau de Congressos de Catalunya hosted the academic sessions.
- 3. More than 2,500 alumni attended the 2016 Global Alumni Reunion.



“We can play a critical role in changing the world,” said Prof. **Ariño** in her introduction to the academic sessions of the reunion. “The purpose of the event is to learn from those making change happen.”

In other words, as Dean **Franz Heukamp** said, “to help people to be the change.”

To set the context within which that change is likely to occur, a panel moderated by Prof. **Pedro Videla** was convened to explore the geopolitical revolutions that have taken place in 2016 and the resulting systemic risks.

“Globalization has not collapsed... yet,” said Prof. **Pankaj Ghemawat**, a renowned thought leader in the field. The trade data after Brexit suggest that globalization is still robust in the wake of shock but there is still a great deal of uncertainty on the horizon. The biggest unknown factor, according to Prof. **Ghemawat**, are the policies likely to be implemented by the new President of the United States of America, **Donald Trump**. “With the U.S. we

see numbers big enough to shake global aggregates,” he warned.

The responsibility for saving globalization, argued Prof. **Ghemawat**, belongs to all of us. “In previous bad times for globalization, such as the 1920s-30s, business leaders were not very much in evidence trying to counteract protectionist tendencies. If we leave it up to politicians, we’re in one place. But if we decide to engage and be the change, we’re in another.”

But is globalization worth saving? **Rebeca Grynspan**, secretary general of the Ibero-American Conference, first considered the upsides: global GDP growth, reduced global poverty, the emergence of the southern hemisphere, and a rising human development index in almost every country. Globalization, she concluded, is a very positive force for the world, but it is not without its downsides. **Grynspan** listed greater wealth inequality within countries, climate change and the rapid pace of destruction of many communities’ ways of life, all of which lead to social unrest and political instability. She, too, urged business leaders to take responsibility.



From left to right: Rebeca Grynspan, secretary general of the Ibero-American Conference; Prof. Ian Goldin, senior fellow at Oxford Martin School; Prof. Pankaj Ghemawat; and Prof. Pedro Videla.

“We need to understand the impacts of free trade on different groups and make more effort to reach those who’ve suffered and who are skeptical about the political system,” she said. “Firms can’t survive or progress without the rest of society. They have to understand that and think about how they can contribute. The outcome won’t depend on an invisible hand. It will depend on the decisions we make.”

JOINED-UP THINKING FOR A JOINED-UP WORLD

- Prof. **Ian Goldin**, senior fellow of Oxford Martin School at the University of Oxford described the current era as a renaissance. Everything we think is possible is possible, such as the elimination of diseases, “because for the first time in our history we have come together as a global community.”

But he warned: “In renaissance moments the stakes are higher. And when the pace of change is higher, people get left behind quicker. Society needs to be more prepared for change.”

The new, complex webs of interconnectivity come at the price of systemic risk, which societies are struggling to fully understand. “We need to think less about the old forms of conflicts. Yes, nuclear war is a threat but pandemics and cyber attacks are a thousand times more so, yet governments spend much less on preparing for them,” he said.

“People need to appreciate the price of risk. We’ve done it with seat belts and smoking, now we need to do it in other areas. The sorts of ethics we’ve built around driving costs down and economies of scale do not work when you have systemic risk. It’s important that we have regulatory environments and shareholders that understand that the new risks are contagion risks. They spill over silos.”

The solution, according to **Goldin**, is more joined-up governments. “Higher walls will not save us. What’s rational for us as individuals becomes less rational for us as a whole. We need more investment in international community. We cannot understand all the elements but we can understand how to build resilience,” he said.



“HIGHER WALLS WILL NOT SAVE US. WE NEED MORE INVESTMENT IN INTERNATIONAL COMMUNITY”

Prof. Ian Goldin, senior fellow of Oxford Martin School at the University of Oxford

“WE NEED TO HAVE A MISSION AND INFLUENCE THE DIRECTION THE WORLD IS GOING”

Francis Okomo-Okello, board member of Barclays Africa Group



“FIRMS CAN’T SURVIVE OR PROGRESS WITHOUT THE REST OF SOCIETY”

Rebeca Grynspan, secretary general of the Ibero-American Conference

“If we can’t manage systemic risks, people will think globalization is a threat, not a benefit,” he said, “and that would be a tragedy for everyone.” The last renaissance, **Goldin** pointed out, ended in religious wars and destruction. “It’s up to us to do better,” he added.

Francis Okomo-Okello, a board member of Barclay’s Africa Group, also raised the subject of responsibility when participating in a panel convened to explore the theme of internationalization.

Lessons for Africa and the whole world could be learned from Brexit and the recent U.S. elections, he said. “It’s not enough to leave the future in the hands of politicians; business leaders must play a part,” he added. “As global citizens we need to accept that there are responsibilities we can only discharge if we act as a unit. We need to develop networks. We need to have a mission. We need to influence the direction the world is going. Let us be the active agents of change and not passive observers of it. There is a symbiotic relationship between the local and the global. This responsibility calls on us to reassess our own individual roles.”

TEACHING OLD DOGS NEW TRICKS

● In the panel on science and innovation, Dr. **Valentín Fuster**, physician-in-chief of the Mount Sinai Medical Hospital in New York, told delegates that the reason people now live longer lives is because of treatment not prevention. **Fuster** raised concerns about the cost

of prolonging life and the quality of the life it lengthens. Heart attacks are the number-one killer but what is less well-known is that the same risk factors that cause heart disease also cause micro-strokes, which affect brain health. “We can prolong life with technology, but it’s important to prevent failure of the brain with education at a young age,” he said. “The trend today is for promoting health in young people,” he said.

Fuster emphasized youth because, in his experience, it is very difficult to get older patients to control risk factors with preventative measures. “If a patient still feels well, it is very hard to change his or her behavior,” he said. “It is easier to educate children. Early age is key. Whatever they learn, they store and they keep. Try to tell a 15-year-old something and it’s chaos.”

Although it is exponentially more difficult to help older adults change their habits, it is not impossible. **Fuster** said that by taking responsibility for each other as well as for ourselves, results in areas such as motivation to exercise or to stop smoking, and adherence to courses of medicine, can be improved. “We work best when we have others working at the same time, so let’s create communities. I’m obsessed with this. If everyone put five percent of his or her life into helping someone else’s health, the results would be outstanding.”

Deborah DiSanzo, general manager of IBM Watson Health, a global analytics cloud designed to help health-care, explained how the technology could help drive improvements in both doctor and patient decision-making.



IT ALL STARTS WITH A MISSION: TO HELP IMPROVE LIVES AND GIVE HOPE”

Deborah DiSanzo, general manager IBM Watson Health

Valentín Fuster, Deborah DiSanzo and academic director of the reunion Prof. Núria Mas reflected on the future of science and innovation.



“It all starts with a mission: to help improve lives and give hope,” she said. “We aim to deliver innovation to address the world’s most pressing health challenges through data and cognitive insights.” Watson can read and understand vastly more data than any human doctor and draw upon it to make recommendations. “An oncologist doesn’t have the time to read 8,000 papers a day,” she said. “But Watson can, and it can advise the oncologist when making a diagnosis. It can be the change,” DiSanzo said.

A PERFECT STORM OR A FAIR WIND IN THE SAILS?

● This modern renaissance also brings business challenges and opportunities for established companies. Two panels tackled different drivers of rapid change: internationalization and digital transformation. And two common themes emerged as essential to future survival and success: creating the right corporate culture and hiring the right talent.

In the internationalization panel, **Antonio Basolas** (GCP '15), managing director of strategy and development for energy giant Gas Natural Fenosa, told the audience that his industry was fundamentally unpredictable. “We don’t know what energy prices will be in five years. Neither do the consultants we ask. So we always have to plan for uncertainty,” he said.

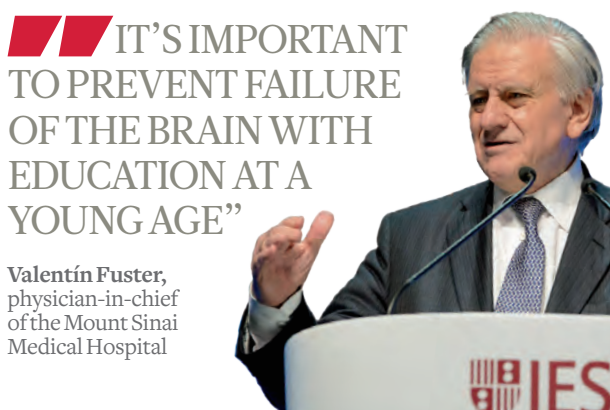
The open and diverse corporate culture required to absorb and adapt to change was created from the bottom up as a result of having over 20,000 employees in more than 30 countries, he said. “Instead of exporting experience from the corporate headquarters, we’re importing it from our international operations. We try to learn from our experiences in each country and use the best practices in all of them.”

Marc Puig, chairman and CEO of fashion and fragrances firm Puig, saw similar changes in employee flows: “As we grow, we have more people outside Spain. We try to integrate them through knowledge of who we are and our



WE TRY TO LEARN FROM OUR EXPERIENCES IN EACH COUNTRY”

Antonio Basolas (GCP '15), managing director of strategy and development, Gas Natural Fenosa



IT’S IMPORTANT TO PREVENT FAILURE OF THE BRAIN WITH EDUCATION AT A YOUNG AGE”

Valentín Fuster, physician-in-chief of the Mount Sinai Medical Hospital



MILLENNIALS AND THE DIGITAL REVOLUTION ARE RADICALLY TRANSFORMING BUSINESS”

Marc Puig, chairman and CEO of Puig



Internationalization was the theme of the panel that brought together Francis Okomo-Okello, Antonio Basolas and Marc Puig, and was moderated by Prof. Africa Ariño.

The topic of digital transformation was discussed by Juan Carlos López Vives (PADE '02), Luis Maroto (MBA '89) and Prof. Josep Valor.



/// TECHNOLOGY PLAYS A ROLE BUT, IN THE END, IT HAS TO BE TRANSLATED INTO BUSINESS”

Luis Maroto (MBA '89), president and CEO of Amadeus IT Group

value systems but there's less and less movement from here to there. Now the movement is all over the place.”

Puig said, “Our industry is changing dramatically. Millennials and the digital revolution are radically transforming business. Some of the frameworks and assumptions that have helped us in the last 15 years will not help us going forward. We have to change and find a new path.”

Digitalization was described as a “perfect storm for legacy companies” by Prof. **Josep Valor** in his introduction to the digital transformation panel, pointing to the disruptive impact of newcomers such as Skype in telecoms and Airbnb in hospitality. But new technologies can also be fair winds in the sails of progress.

Luis Maroto (MBA '89), president and CEO of travel sector technology group Amadeus, believes that the challenge is to see and to adapt to customers' needs. “When customers move to digital space, it's not about technology, it's about clarity in the value chain,” he said. “In the end it's about people. Technology plays a role but, ultimately, it has to be translated into business. It's the same as 50 years ago: the value chain.” **Maroto** pointed out that

emerging phenomena such as the sharing economy could be an opportunity for collaboration and value creation between small companies with the flexibility to innovate and established companies with assets and industry knowledge.

According to **Juan C. López Vives** (PADE '02), CEO of business solutions at Telefónica, the culture of established companies must change if they are to survive. “We must become intelligent enterprises. We're used to silo processes, but processes are becoming agile, end-to-end. Data is at the core. That's where the value is found,” he said. “Evolving companies are using that information. Every time a customer clicks on something you are gaining information so you can transform the relationship with him or her.”

The key to remaining relevant, **Puig** said, was recruiting and retaining the right talent. “People are our assets. Everyone says that but how you treat people really makes a difference.” **Basolas** opined that the best employees would stay only in the right



/// PROCESSES ARE BECOMING AGILE, END-TO-END. DATA IS AT THE CORE. THAT'S WHERE THE VALUE IS FOUND”

Juan Carlos López Vives (PADE '02), CEO of business solutions at Telefónica

environment. “If you grow, you can retain talent. If not, not,” he said.

Attracting that talent is becoming more difficult. “We go to the right universities, like IESE, to find the right people,” said **Maroto**, “then try hard to keep them. When Google or Amazon come along to try to take them, it’s hard to resist. But we show them that they have the opportunity to grow with us, and the right company conditions.” In **Puig**’s opinion, it is also important to draw strength from the past as a way of facing the future. “We’re good at something and we have ambitious aims. But we have a value system and I think that is key: one family has been involved with this company for 102 years. People feel attached to that environment.”

But the new generation of talent, says **López Vives**, has new demands. “They need different working spaces. They’re much more collaborative than the way we used to work. We have to show them that they can grow. There’s a lot of training and retraining and moving people. But we need the talent. We need people to crunch the data and think and manage information in a completely different way, people who just by coding can change the way we relate to customers.”

How can young people ensure that they are prepared for this new environment? **López Vives** stressed the value of coding ability combined with a broad understanding of business, and **Maroto** advised that new graduates and experienced executives alike should engage in continuous learning. “The specific things you study today probably won’t be valid in 10 years. The capability to be flexible and evolve, which is taught in institutions like IESE, is more important.”

The president of the IESE Alumni Association, **Jorge Sendagorta**, the dean of the school, **Franz Heukamp**, the academic directors of the reunion, Profs. **Ariño** and **Mas**, and the director of the Alumni Association, **Javier Muñoz**, closed the academic sessions, which were broadcast live so that their contents could reach alumni all over the world.



With more than 2,500 delegates, the Global Alumni Reunion in Barcelona broke the record for attendees.

LIVE BROADCASTING

Reflections in the academic sessions went further than ever thanks to a live broadcasting program produced by IESE in the hall of the conference venue. During the eight-hour broadcast, alumni from all over the world were able to follow the sessions and also had access to exclusive content, such as interviews with alumni, IESE staff and speakers including **Valentín Fuster** and Prof. **Ian Goldin**, who encouraged alumni to be active agents of change.

SEE VIDEOS ON WWW.YOUTUBE/IESE





“IF YOU WANT TO BE AN ENTREPRENEUR, YOU HAVE TO BE TRULY PASSIONATE ABOUT IT.”

Timo Kerzel (EMBA '12),
co-founder and COO of Telanto



“IF YOU DON'T LIKE WHAT'S OUT THERE, BE YOUR OWN AGENT OF CHANGE. CREATE YOUR OWN HISTORY.”

Carlota Pi (EMBA '09),
co-founder and CMO at Holaluz

“BEING AN ENTREPRENEUR, THE FEELINGS GO DEEPER THAN WHEN YOU'RE WORKING FOR SOMEONE ELSE.”

Thaís Ivern (MBA '01),
co-founder and board member
at Impactmedia



ENTREPRENEURS ON BEING THE CHANGE

No aspect of business embodies transformation as much as entrepreneurship. Entrepreneurs exist to alter the status quo and bring something new into the world. They know better than anyone how to be the change.

They put the theme of the alumni reunion through the lens of entrepreneurship, Prof. **Christoph Zott** convened a panel of founders and investors to share their first-hand experiences. Introducing the panel participants, Prof. **Zott** defined entrepreneurship as “taking business-building action under uncertainty and resource constraints.”

“I was fired in 2008 when I returned from maternity leave,” said **Carlota Pi** (EMBA '09), co-founder and CMO of Holaluz.com. Those adverse circumstances eventually led to Holaluz, which now supplies 80,000 SMEs and households in Spain with green energy. She shared three key lessons from her six years leading a new business, along with the co-founders **Ferran Nogué** (EMBA '09) and **Oriol Vila** (EMBA '09). The first is to create value from your own values. **Pi** prefers to see her customers as human beings with needs and dreams, not as a market. “There is no more powerful marketing tool than a satisfied customer,”

“ENTREPRENEURSHIP MEANS TAKING BUSINESS-BUILDING ACTION UNDER UNCERTAINTY AND RESOURCE CONSTRAINTS.”

Christoph Zott,
IESE Professor



“THERE’S NO RUSH. YOU WILL NEED A LOT OF ENTHUSIASM, BUT ALSO A BUSINESS THAT WORKS.”

Luis M. Cabiedes (MBA ’05),
partner of Cabiedes & Partners



“ENTREPRENEURS NEED SOMETHING IN THEIR HISTORY TO NOT GO WELL – SOMETHING TO CONVINC THEM TO MAKE THE JUMP.”

Josep Sanfeliu (MBA ’06),
managing partner at Ysios Capital Partners



she said. The second lesson is to believe in yourself. “If you don’t like what’s out there,” she said, “be your own agent of change. Create your own history.” Pi’s final point related to creating “a team of great human beings, overachievers, around you.” She believes that setting the right goals and trusting staff to meet them is enough. “They manage their own time,” she said. “The only business that needs to manage time is a parking space. The rest is nonsense.”

The theme of trust was picked up by **Timo Kerzel** (EMBA ’12), co-founder and COO of Telanto, which connects academic institutions to corporate challenges. He, too, believes in allowing his team members to manage their own time. Before becoming an entrepreneur, **Kerzel** landed a series of jobs despite, in his own words, “not being an A-grade student.” He got them instead by solving challenges and showing what he could do, reinforced by the competencies developed by the IESE EMBA. The EMBA he said, changed his life: “I wanted to be the agent of change so that other talents could have the same opportunities I did because of it.” That desire led to Telanto. “If you want to be an entrepreneur, you have to be truly passionate about it,” he said.

Thaís Ivern (MBA ’01), co-founder and board member of Impactmedia, spoke of writing in her diary at age 17 about wanting her own company. That finally occurred in 2003 when she launched Impactmedia, but she was not quite ready for what lay ahead. “Being an entrepreneur is like being on a rollercoaster. The feelings go deeper than

when you’re working for someone else. My mood rises along with our sales. My daughter can tell how business is going as soon as she opens the front door,” she said. The economic crisis destroyed half of the Spanish advertising market in which Impactmedia competes. To survive such adversity, **Ivern** advised, entrepreneurs “always have to be energetic and enthusiastic. The biggest difficulty is to maintain the fire.”

Representing the financing side of entrepreneurship on the panel were angel investor **Luis M. Cabiedes** (MBA ’05), partner of Cabiedes & Partners, and **Josep Sanfeliu** (MBA ’06), managing partner of biotech and life sciences venture capital firm Ysios Capital Partner. From **Sanfeliu**’s experiences of speaking with over 1,500 start-ups, he offered three pieces of advice for would-be entrepreneurs. The first is to be ready: “Go to IESE. Keep learning. Keep thinking,” he said. The second is to find an excuse to do it. “You need something in your history to not go well: a disappointment, a sacking, a colleague you can’t work with – something to convince you to make the jump.” **Sanfeliu**’s third piece of advice is to stay calm. As an example he pointed to the fact that his own firm launched a fund the day before the Lehman Brothers-led crash in 2008.

Cabiedes urged those with start-up ambitions to remain patient and wait for the right opportunity to come along. “There’s no rush,” he said. “You will need a lot of enthusiasm, but also a business that works.”

FINDING INSPIRATION IN OTHER ALUMNI AND COMPANIES

As well as taking part in academic sessions, Global Alumni Reunion delegates also had the chance to visit three pioneering companies (HP, Mango and Damm) and the ALBA Synchrotron.

At the Damm brewery near Barcelona airport in Prat de Llobregat, 43 alumni were able to see the beer-making process first hand, including packaging and distribution. The factory produces 500 million liters of beer each year. Although it is not new, it is constantly updated and improved with the goal of ramping production up to 650 million liters per year.

This productivity drive was the point of greatest interest for **Jorge Arteaga** (AMP '09), general manager Spain at sanitary fittings manufacturer Grohe. "What has impressed me most is the tremendous focus that the company puts on efficiency, productivity and keeping costs low," he said. "Comparing industries, the productivity in Damm is higher than in my sector because here the focus is on having very low costs. There is hardly any manpower, whereas in a Grohe factory there is a lot. Every faucet that leaves our factory is tested, one by one, because the focus for us is not on productivity but on quality. Every industry puts an emphasis on a different aspect of production."

In the can- and bottle-packing area, alumni observed the Damm brewery's completely automated processes in which laser-guided carts move crates to storage areas ready for shipping. These self-correcting carts guide themselves through the factory with an accuracy of within 2mm. The completely automated system allows 40 metric tons to be unloaded from and loaded into transport trucks in just 11 minutes.



1



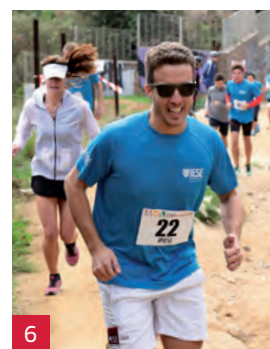
2



4



5



6

The automation impressed **Jacques Coffeng** (GEMBA '02), general manager USA, Central America & Caribbean at JT International. He commented, "I didn't expect such a modern facility. I found the full automation very interesting: from bottles into crates, from crates into piles and then automatically into the truck without a person touching it!"

The automated factory requires few workers but demands high skills and cross-functional knowledge of processes. Each employee receives almost 400 hours of training and can assume all roles within his or her specific area: cans and bottles; non-returnable bottles; and returnable bottles.

Three groups totaling 34 alumni also visited the logistics center of fashion giant Mango, near Barcelona in Parets del Vallès. During the visit, they were able to see the levels of technology used and the organization of the workflow.

The 22,000sqm center, built in 2008, employs three shifts of 70 workers each and functions around the clock, 360 days a year. It specializes in receiving clothes manufactured mainly in China and Turkey, folding and packing them on-site, and delivering them to Mango stores around the world by truck or by plane. Every store in the European Union receives clothing from the center every day. In total, the center handles 70 million items of clothing each year.

Ignacio Alonso (PDD '16), head of smart retail international expansion & partnerships at Telefónica, said, "You learn a lot about the complexity of managing a center like this and how logistics impact sales. Everything has to be very smooth and refined. The details are incredible, as is the way they have evolved."

In the center, 6,000sqm are fully automated, with 30 robots in 20 aisles handling 10-15 million items of clothing in

boxes. The robots self-manage storage, putting the boxes where there are spaces and prioritizing those that need to be sent out first. The automation is managed and constantly refined by a team of 25 people.

Jennifer Munson-Montañez (AMP '14), founder and client relationship director at Montañez & Co., highlighted Mango's focus on quality and on minimizing errors. "The detail with which they work is spectacular. What I liked the most is that they refer to Mango stores as customers. This makes the service mentality totally different from how it would be if they considered them as colleagues. They focus on absolute quality with zero failures."

In Sant Cugat, near Barcelona, 70 alumni in four groups visited HP. They were met by **Ramon Pastor** (PDD '01), general manager of the HP Campus in Barcelona and Worldwide 3D manager. **Pastor** explained that the Barcelona facility, founded in 1985, is the biggest HP site outside the U.S. with 1,800 employees of 61 nationalities. "Unless you have a workforce that is diverse, the innovation can't be at a global level," he told them.

HP moved manufacturing of large- and small-format printers in Barcelona to Asia in 2000 and shifted the focus in Europe to research and development, along with 12 other business areas. As a result they now have more employees but the balance has shifted: fewer are blue-collar workers and there are more than 500 engineers.

Alumni visited the research lab for large-format printing and the department of 3D printing. Sant Cugat is now the headquarters of HP's 3D-printing business and also includes 3D-printer manufacturing. 3D printing, **Pastor** told alumni, allows last-minute changes to design before manufacture, as well as personalization of products and services,



3



7



8



9

1. Alumni visited the Damm brewery near Barcelona.
2. In the visit to HP, alumni could touch some products printed in 3D.
3. Mango's logistic center received 34 alumni.
4. IESE's north campus was the venue for the welcome reception.
5. Prof. Ian Goldin addressed the alumni during the welcome reception on campus.
- 6, 7 and 8. The charity run raised funds for The Women for Africa Foundation.
9. A Mass for deceased alumni was celebrated prior to the academic sessions.

COVER STORY

accelerated innovation and easier testing of prototypes. It could even, he said, play a part in reindustrializing western countries, with an added environmental benefit: with 3D printing, there is no need to manufacture goods in countries where wages are low and then ship them around the world.

He explained that when manufacturing high numbers of parts, traditional methods were currently more cost-effective. The break-even point is presently around 10,000 units but falling fast. In some pieces, a 3D printing production allows a weight reduction of 75 percent and a cost reduction of 85 percent. After **Pastor's** presentation, alumni visited the facilities and were shown the 3D printers and some of the products created with them.

David Baz (EMBA '16), product manager at Openbravo, remarked, "I was surprised that production, finance, marketing, IT and quality control is in the same space for each of the components. I enjoyed seeing how far the new technology has come, and how far they want to go."

The level of development of 3D printing and HP's ambitions for it also impressed **Luca Ferraro** (GEMBA '14), senior sales consultant at VMI Collective, who said, "I was very pleased to see how the 3D printers work, the presentation about HP's history in Barcelona and the vision they have for the future."

A fourth group of 56 alumni visited the ALBA Synchrotron Light Source, a scientific facility located in Cerdanyola del Vallès. The synchrotron light allows the visualization

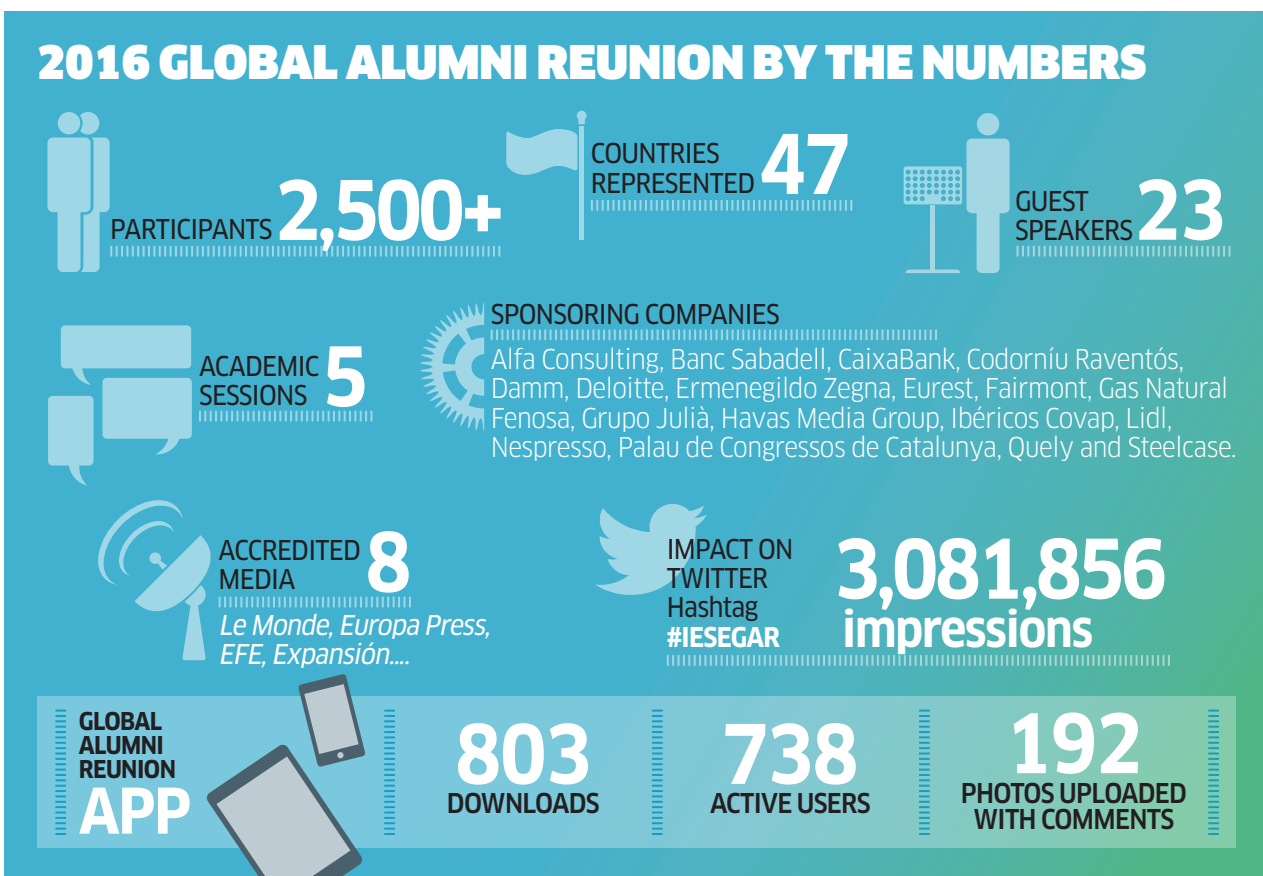
and study of the atomic structure of matter, and the results of the research can be applied to fields such as pharmaceutical drugs, metallurgy, adhesives or cosmetics, among other things.

AN ESPECIALLY WARM WELCOME

The welcome that IESE gave to the attendants to the reunion on November 10 even set fire to the main building in the North Campus. There were virtual flames, integrated in a video mapping projection that was enjoyed by alumni gathered at the reception.

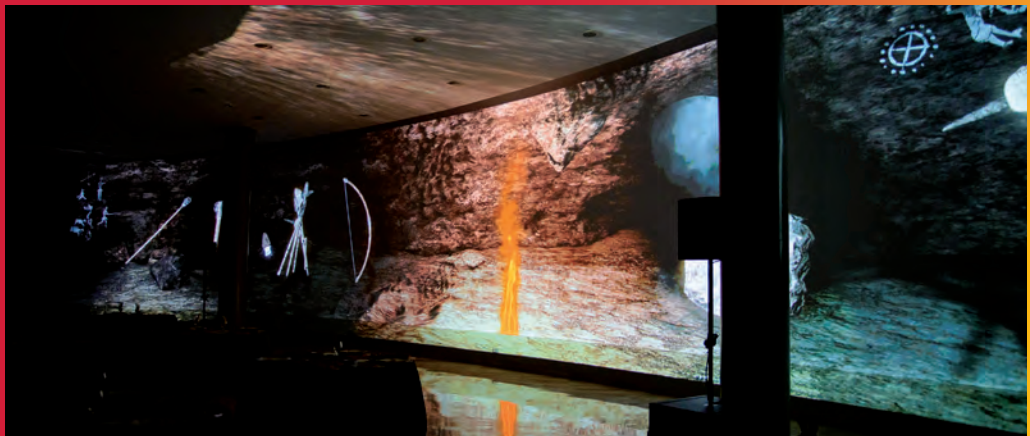
Jorge Sendagorta, president of the IESE Alumni Association, **Franz Heukamp**, dean of IESE and **Javier Muñoz**, director of the IESE Alumni Association, presented a session in which Prof. **Ian Goldin**, senior fellow of Oxford Martin School at the University of Oxford shared his insights about the main forces that are driving worldwide change.

The Global Alumni Reunion in Barcelona attracted people from 47 different countries. Participants were able to enjoy the views of Barcelona while taking part in the charity run. Seventy-eight alumni took part in the run, which raised funds for the Women for Africa Foundation. Among the male contestants, the fastest runners were **Ignacio Montero** (PDD '16), **Marco Carniello** (MBA '09) and **Christoph Ruessel** (AMP '13). **Elena Hidalgo** (PDD '16) was the first female to cross the finish line, followed by **Carina Palomino** and **Agnieszka Pfab**.



VIDEO MAPPING

Historical figures that have changed the world were the main characters of a video mapping projected on the walls of the Q-building hall, on the North Campus.



1



2



3

1. Oriol Moltó (PDD '17), Carlos Vela (PDD '17), Carlie Pratt and Héctor Recio (PDG '16). 2. Elisa Barral (PDG '09), Laura Bermúdez and Magdeleen Jooste (GEMBA '16). 3. Javier Oteros (EMBA '16), Pablo Lamsfus (EMBA '16), Giancarlo Federighi (EMBA '16), Victoria Garrido (EMBA '16), Macarena Crespo (EMBA '16), David Baz (EMBA '16) and Juan Francisco Riesco (EMBA '16). 4. Nani Attar (MBA '08), Tina Wong (MBA '13) and Thomas Storck (MBA '13). 5. Victor Gil (PDD '12), Alejandro Moreu (PDD '12), Oscar Caballero (PDD '12) and Nuria Blasco (PDD '12).



4



5

C O V E R S T O R Y



6



7

6. Juana Fernández (PDD '15), Óscar Carrera (EMBA '04), Francisco Javier Pereiro (PDG '15) and Cristina Fernández (PDG '15). 7. Giorgio Maritan (PADE '09) and Jordi Borrell (PDD '05). 8. Ulises Rubio (EMBA '16), Gemma Trespallé (EMBA '16), Carmen Cea (EMBA '16) and Isaac Cabezas (EMBA '16). 9. Óscar Aragón (PDG '14), Josep Maria Montserrat (PDG '14), Xavier Ruiz (PDG '14), Marcelo Tenza (PDG '14), Antoni Picó (PDG '14), Paola Tornini (PDG '14), José Antonio Núñez (PDG '14), Eva Victoria García (PDG '14) and Maria Sarjanovich (PDG '14). 10. Mariano Rubio (EMBA '15), Gonzalo Casacuberta (EMBA '15) and Josep Rodes (EMBA '15). 11. Javier Hernández (EMBA '08), Marta Soto (EMBA '08), Jos Cardona (EMBA '08), Víctor Pujol (EMBA '12).



8



9



10



11



12



13



14



15

MORE PHOTOS OF THE GLOBAL ALUMNI REUNION AT [HTTP://BIT.DO/GAR2016](http://bit.do/gar2016)



16



17

**12. Maria Eugenia Castro (PDD '16), Monsa Domingo (PDD '16), Pere Quintana (PDD '16) and Diana Domingo (EMBA '11).
 13. Luis Carreño (PDD '16), Ignacio Ventura (PDD '16) and Abel Ramos (PDD '16).
 14. Carles Rivera (PDG '16), Xavier Rosales and Alex Rosales (EMBA '11). 15. Joost de Kinderen (GEMBA '10), Victoria Velázquez (GEMBA '10) and Philippe Amstutz (GEMBA '10). 16. Esther Llatser (PDD '04) and Merche Dalmau. 17. Óscar Caballero (PDD '12) and Ricard Gómez (PDD '11).
 18. Alejandro Jordán (MBA '93), Alfredo García (MBA '93) and David Pijoan (MBA '93).
 19. Venislava Mitrova (GEMBA '16), André Boeder (GEMBA '16), Cristina Ghica (GEMBA '16) and Hussam Fawzy (GEMBA '16).**



18



19

THE B CORP MOVEMENT REDEFINES THE ROLE OF BUSINESS

BENEFIT VS. PROFIT



JOAN FONTRODONA
Professor of business ethics,
IESE



GUILLERMO CASASNOVAS
Doctoral candidate at Said
Business School, University
of Oxford

If you're ready to go from being the best company *of* your community to being the best thing *for* your community, you're on your way to transforming your business into a B Corp. Thousands of companies from around the world have already joined this movement that aims to redefine business success.

B CORPORATION • SOCIAL COMPANY •
SOCIAL CORPORATE RESPONSIBILITY •
ENVIRONMENTAL IMPACT

What do Unilever, Danone, Natura and Triodos Bank have in common? All of them share values with the B Corporation¹ community, a movement that questions some principles of the current economic system and proposes a more human and sustainable vision of capitalism.

Let's focus on the two food industry multinationals. In the case of Unilever, CEO **Paul Polman** champions the idea that companies should create not only shareholder value, but also social value. He explains, "The B Corp movement is a crucial step in the turn toward a more inclusive, purposeful economy, which is unquestionably necessary." Since the company implemented its Unilever Sustainable Plan, the company's brands that adhere to it most closely have enjoyed above-average sales growth. One of these brands is Ben & Jerry's, a certified B Corp company noted for its social activism and environmental commitment. Danone's leader is also concerned with his company's purpose. CEO **Emmanuel Faber** is part of the B Corp Advisory Board, and together, they have created an alliance for measuring and monitoring the project's social impact.

B Corp's appearance and rapid growth at the global scale are symp-

toms of a changeable economic, political and social environment that raises fundamental issues not easily addressed by conventional business models. Traditional corporate social responsibility – focused on supporting charity projects outside the core business – has been questioned for years by academics, workers and consumers. In its place, more and more companies are modifying their practices in production, taxes and human resources so that their work can benefit the largest number of stakeholders possible. Take, for example, the recent outcry over tech giants who pay taxes for European sales in Ireland or Luxembourg instead of where sales are made. Or the plea for the textile industry to audit companies at all stages of the production chain. These changes not only affect public awareness but also business structures, and therefore company activities.

In recent years, emerging concepts, strategies and methods have pushed companies toward more holistic models of responsibility. New ideas include the triple bottom line (which aims to measure the economic, social and environmental impact of the company), shared





value (which emphasizes the joint creation of economic and social value, that is, of shareholder and stakeholder value), and the Global Reporting Initiative (which provides standards for measuring the impact of corruption, human rights abuses, and climate change). These are just a few in an expanding set of tools available for companies – big and small – that want to go one step further in redefining the concept of success in

their organizations. In this context, B Corp certification is a hallmark for companies committed to having a positive impact on society.

HOW DID THE B CORP MOVEMENT BEGIN?

- Born in the United States in
- 2006, the B Lab Foundation created the Certified B Corp Seal as a way to give an edge to socially and environmentally friendly com-

panies. Certification creates a collective voice and an opportunity for social companies to claim their “authenticity” in contrast to their more traditional competitors. Companies must meet three requirements in order to be B Lab certified: 1) meet high social, environmental and community standards; 2) have company statutes that state the purpose of generating a benefit for the whole of society; and 3) accept higher levels

MOST YOUNG PEOPLE SHOW GREATER TRUST AND LOYALTY TOWARD COMPANIES THAT SUPPORT POLICIES WITH A SOCIAL IMPACT

of transparency. Additionally, the B Lab Foundation itself is promoting the creation of the legal structure of Benefit Corporation in the United States (and other similar ones, such as the Community Interest Companies in the United Kingdom and the Società Benefit in Italy) in order to grant the movement even greater legitimacy and create a juridical and legal framework for companies that are managed according to these principles.

Ultimately, the B Corp movement attracts a growing number of companies that, instead of orienting their objectives exclusively toward maximizing value for the shareholder, create business models with the purpose of also generating a positive impact on society.

Today, about 2,000 companies from more than 50 countries belong to the movement. One example is the outdoor clothing and accessories company Patagonia, whose mission statement makes its intentions clear: “Build the best product, cause no unnecessary harm, use business to inspire and implement solutions to the environmental crisis.” Others, such as the Brazilian cosmetics company Natura, are recognized for their commitment to local communities and the preservation of biodiversity in the Amazon. Other examples are the civic activism platform Change.org; the ethical Triodos Bank; and

Kickstarter, the crowdfunding website for social projects.

After expanding across all five continents, B Corp has recently arrived in Spain, where more than 20 companies have already joined the community. Among others, the following companies have received B Corp certification: Cuento de Luz, a children’s publishing company that promotes universal values among young readers; La Casa de Carlota, a design firm made up of people with autism and Down syndrome; People Who, a patient platform where users share information about overcoming their illnesses; and Veritas, the organic supermarket chain. **Silvio Elías**, Veritas’ managing director, states, “B Corp provides us with tools to help us improve and stay on the path toward a more sustainable world.”

THE VALUE OF BEING A B CORP

● As we explained above, the B Corp movement aims to redefine the concept of business success, questioning the idea that the only goal is to maximize outcomes for its shareholders (profit) and promoting instead the goal of maximizing value for society (benefit).

Becoming part of the B Corp community involves keeping two main commitments. First, B Corp companies measure their social impact through demanding standards that are laid out in the B Impact Assessment.² This tool evaluates not only the purpose and impact of the business model, but also operational areas such as corporate governance, professionals, the community and the environment. Companies must obtain a minimum score to join the B Corp community, and one advantage is that the test standardizes the criteria for measuring social impact across sectors.

The B Corp Seal helps companies that go beyond mere talk about responsibility and sustainability differentiate themselves from the competition. Test results are public and anyone interested in B Corp companies can review them. Also,

WHY BECOME A B CORP BUSINESS?

- * **Differentiation:** stand out from the competition with certified proof of an organization’s social and environmental commitment.
- * **Mission-lock:** protect a company’s founding mission so that shareholders and managers stay on the same page.
- * **Investment:** attract investors interested in positive social impact, in addition to financial profitability.
- * **Talent:** attract and retain employees who want to work for more than the bottom line.
- * **Alliances:** promote strategic relationships with customers, suppliers and partners who share a similar vision.

because the test is free and open to any company, many businesses use it as a guideline for improving their management and boosting their social impact. **Matt Stinchcom**, VP of Values & Impact at Etsy, highlights the rigor of this evaluation tool: “The B Corp evaluation process distinguishes companies that truly are doing something useful from those that only say they are.”

Second, the social mission of certified B Corp companies must include generating a significant positive impact on society and the environment, including a commitment to bear in mind the triple impact of its activities (economic, social and environmental). Companies clearly state that their mission is to generate value for different groups linked to the organization, including not only shareholders, but also workers, consumers, local communities, and even future generations. Incorporating these elements into the company’s social statutes makes it possible to protect the company’s activities and mission, ensuring continuity in the face of management changes and helping to specify the interests of various stakeholders. Starting with the leadership and permeating the entire organization, the B Corp culture leads a company to approach decision-making with an eye on both profits for shareholders and benefits for society.

Belonging to the B Corp movement means standing out from other companies, which can help attract new talent, consumers and investors. Growing numbers of young professionals and consumers express interest in companies whose values and missions are aligned with their own. According to the “2016 Deloitte Millennial Survey: Winning over the next generation of leaders,” most young people show greater trust and loyalty and a higher desire to purchase from companies that support policies with a social impact. At the same time, B Corp companies can attract impact investment – that is, investment centered on generating economic and social

value in the long term. According to J.P. Morgan and the Rockefeller Foundation, impact investment currently moves a volume of more than 60 billion dollars, and forecasts oscillate between 400 billion and a trillion for 2020.

A PROMISING FUTURE

● The classic approach to business has monopolized – and, to some extent, oversimplified – our view of business’s social objective. However, we are currently experiencing a sea change, in which companies are coming to play a more significant role, and society itself is increasingly demanding that they participate in economic and social development.

According to the results of the “2016 Edelman Trust Barometer,” the largest international study that analyzes people’s trust in institutions, 80 percent of people polled believe that companies should focus not only on profits, but also on social and economic improvements in the communities where they operate. In this same line, studies by Nielsen and BBMG indicate that more than 65 percent of consumers take into account not only the product, but also the company, in making purchasing decisions. They show moreover that customers are willing to pay more for products from businesses with a positive social impact.

This trend represents a great opportunity for companies that know how to adapt. The B Corp movement combines the efforts of companies interested in using the power of business and the market to solve social and environmental problems, thus generating not only economic profits but also community benefits. **Timothy Lara**, CEO of the B Corp company Hawaiian Paddle Sports, sums it all up: “When we became a B Corp company, we went from being the best company *in* our community to being the best thing *for* our community.” If this view continues to spread, we have a promising future ahead of us, in which companies will be positive agents of social change.

COMPANIES NEED TO FOCUS NOT ONLY ON PROFITS, BUT ALSO ON THE SOCIAL AND ECONOMIC GROWTH OF THE COMMUNITIES WHERE THEY OPERATE

REFERENCES:

- 1) www.bcorporation.net and www.benefitcorp.net
- 2) www.bimpectassessment.net

MORE INFORMATION:

Declaration of Interdependence:
www.sistemab.org/ingles/b-corp/interdependency-declaration

JUAN A. PÉREZ LÓPEZ: THE VIEW FROM 2016

CONSISTENT DECISIONS, TRUST AND BEING MINDFUL OF CONSEQUENCES



JOSEP M. ROSANAS
Professor Emeritus of
accounting and control, IESE

Looking for a way to analyze problems effectively? Need a trust-based incentive system that goes beyond indicators? Want to keep your decisions from leaving a negative mark on other people? In response to these issues, Professor **Juan A. Pérez López** (1934-1996) offered solutions that substantially improved the art of management.

DECISION ANALYSIS • ACCOUNTING AND CONTROL • LEADERSHIP AND MANAGEMENT

With all due respect to the other great work performed at IESE, I think I'm not going too far out on a limb in saying that the work of Prof. **Juan A. Pérez López** is perhaps the most original produced at IESE, in terms of both teaching and the creation of knowledge – I avoid the word “research” because today that word tends to mean anything but the creation of knowledge.

His career began in the early stages of IESE and continued until his death. Prof. **Pérez López's** work was particular, peculiar, and very structured, although sometimes it didn't look that way – he used a torrent of words, both in speaking and writing, and sometimes seemed to be making a series of unconnected claims, all of them sensible and generally attractive, but with no logical relationship among themselves. This was not the case, however. His words were supported by a very solid logical structure.

This trait was already uncommon in the world of business management, and today it has become even rarer.

When an institution like IESE is founded, it must efficiently imitate what others do and strive eventually to do it a little better than they do. Progress comes not through mechanically repeating what others have done, but rather through rethinking it. Then, when this task has been performed successfully, it becomes possible to move on to thinking about new things.

But those who imitate don't always imitate well. When I did my Ph.D. in the United States, I had to take a course that I had already taken previously in Spain, using the same basic text. I wanted to skip the course in order to finish my Ph.D. faster, but my adviser insisted: I had to take the course. His reasoning was that the course was fundamental and that the professor was excellent; I could learn a lot from him. My adviser was right. Years later, the professor was awarded a Nobel Prize and I never regretted taking the course. What a difference from what I had seen in my previous class! The second professor, who was personally acquainted with the authors, knew the book inside out, including all of the cited references. A fantastic class. The difference between the two classes was clear: the first professor didn't know how to imitate



DECISIONS ARE PUT INTO PRACTICE BY PEOPLE, SO PEOPLE ARE ONE OF THE MOST IMPORTANT FACTORS TO KEEP IN MIND IN DECISION-MAKING

well (or perhaps he simply wasn't able to, because of his personal circumstances), and the second one did. In both cases, using someone else's book is imitation, something we have all done many times. But it has to be done well, not superficially, but in depth.

Another example involves an old Harvard finance professor. He was surprised and horrified because in Europe, "They give the same cases that we give, but they don't know the basic finance literature!" In other words, we imitated badly, and only superficially. Under these circumstances, a case became a mere anecdote, with no conceptual content behind it.

Prof. **Pérez López** imitated well. In some senses even too well, because he couldn't help exploring the ideas, and found reasons and reasoning that the people he used as a model hadn't considered. If he had a flaw in this regard, it was that in the final product, it was difficult to distinguish what was his from what was not. His reluctance to cite authors contributed to the confusion, of course, but he knew the literature well. Very well. He was a self-declared bookworm, although he obviously didn't stop there.

Bearing this in mind, there are two aspects of the work that Prof. **Pérez López** put a lot of effort into that are particularly important nowadays, because of the path that today's business world has taken. The first idea stems from the course he baptized simply as Case Analysis and that today is called ASN in Spanish or ABP (Analysis of Business Problems) in English. It's not easy to set

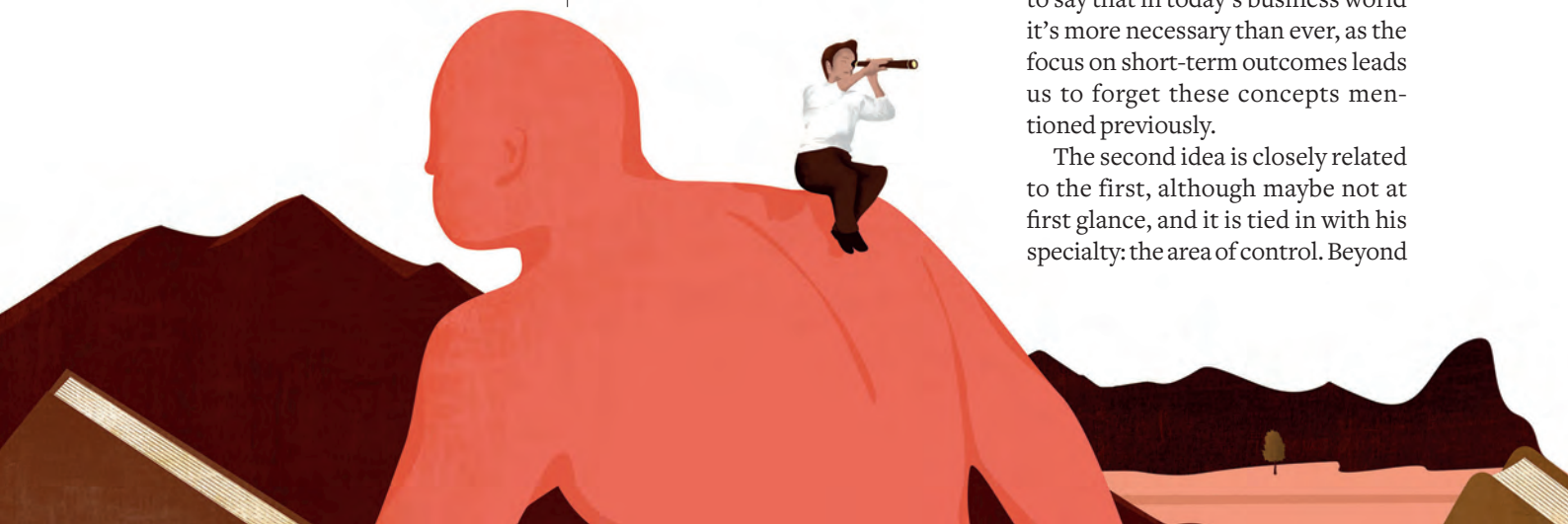
out his ideas clearly, partly because complex issues can be difficult to set out in words (something I'm facing now as I write this), let alone put into numbers.

What Prof. **Pérez López** taught in that course is something that others have tried to emulate, although we have rarely reached his level or remained true to his main objectives. To simplify, he said that: (1) Problems can be thought of in a way that clarifies the process of making and analyzing decisions; (2) It's essential to think about the unintended consequences of any decision. These are often negative, and they take their toll in the long term, or even in the short term. Not all that glitters is gold, and it's important to avoid being naive and seeing only the short term; (3) Therefore it's necessary to weigh different factors, some obvious and others less so (to put it lightly), some of them quantitative and others qualitative, and of every type; (4) Decisions are put into practice by people, so people, their abilities and their identification with the organization are some of the most important factors in decision-making.

Prof. **Pérez López** described these concepts as if they were standard ideas emerging from Harvard Business School (HBS) or any other management school, that is, as though these were principles with which academics from around the world were perfectly familiar, which is not the case. A large part of this approach was his own creation, developed from concepts he had learned at HBS and Carnegie Mellon University.

It's impossible, then, to describe his approach in a few words; suffice it to say that in today's business world it's more necessary than ever, as the focus on short-term outcomes leads us to forget these concepts mentioned previously.

The second idea is closely related to the first, although maybe not at first glance, and it is tied in with his specialty: the area of control. Beyond



financial or cost accounting, Prof. **Pérez López** saw the system of evaluation and incentives as the management tool par excellence. Yet again, borrowing from the foundations of the Harvard Business School, he imitated well and went further in some aspects.

He imitated the formal base of the systems – indicators – efficiently. Indicators are older than dirt, but in order to make the concept look new, we call them “metrics” (a very inadequate word).

Conventionally, the focus of monitoring systems was to analyze the outcome of using certain indicators to decide whether to punish or reward managers. For Prof. **Pérez López**, this approach was the same as **Aristotle’s** in *Politics*, in which he analyzed the various constitutions of the Greek city states. Up to this point, Prof. **Pérez López** had been a faithful imitator, improving the original with potentially important aspects.

But he went much further. First, he argued that, because it is impossible to find indicators to measure everything that we want a manager to do, we have no choice but to rely on informal systems based essentially on mutual trust between the manager and the managed – in other words those same subjective factors that so horrify those people today who haven’t realized that in this world nothing important is “objective.”

Nowadays, it’s more important than ever to remember this insight, because he already knew that quantitative indicators alone get us nowhere. Until now, however, the management world has insisted on the idea that solving problems merely requires the use of the appropriate, and a sufficient number of, indicators. Fortunately, this absurd idea appears to be receding and a considerable number of companies are removing systems that don’t work and can’t work.

Second, Prof. **Pérez López** went further than the conventional focus when he rigorously introduced dynamics, that is, the future effect of present decisions. People inev-

itably learn. For better or worse, as **Heraclitus** said, you can’t step into the same river twice, because the water will have changed. Likewise, you can’t have the same interaction with the same person twice. By the second encounter, he or she will have learned something, in terms of knowledge, skills, or – above all – attitudes.

Prof. **Pérez López** introduced the concept of “negative learning” (although this idea also has antecedents in conventional academic literature), an idea that was both frequently cited and frequently misunderstood. Take the following example. Two people interact (for example, a boss and an employee, although the same could apply in other relationships.) After their exchange, one person (for example, the boss) is very satisfied because he has obtained the desired results, while the other person (the employee) is dissatisfied because she feels that she has been insufficiently compensated, or has performed work beyond her job description, or has carried out a pointless task. Here we have a case of negative learning. In their next interaction, the boss will find it more difficult to achieve these satisfying results again, because the employee will make it harder and harder for him.

This can lead to a situation that has been called pseudo-control. This state occurs when all measured variables show the desired results, yet the system doesn’t work. In jurisprudence, this has been called law without justice, a condition to which we are drawing dangerously close in today’s world.

In summary, Prof. **Juan A. Pérez López** talked about three issues in decision-making that today seem more important than ever: 1) We have to keep all of a problem’s variables in mind and not just the ones that interest us; 2) Basing our ideas and actions exclusively on supposedly objective formal systems is impossible; 3) As **Rafael Andreu** would say, anything that we do today leaves a footprint. Three simple but compelling ideas. Let’s put them into practice.

WE HAVE NO
CHOICE BUT
TO RELY ON
INFORMAL
MONITORING
SYSTEMS BASED
ESSENTIALLY
ON MUTUAL
TRUST BETWEEN
MANAGER AND
MANAGED

Where Do Family Firms Thrive?

PASCUAL BERRONE, PATRICIO DURAN, LUIS R. GÓMEZ-MEJÍA, PURSEY HEUGENS AND MARC VAN ESSEN

Professor **Pascual Berrone** and his co-authors have created the family-legitimizing environment (FLE) index, which helps predict where family firms do best. The index scores firms on five dimensions that tend to favor family business: intergenerational survival-oriented culture, continuity-oriented culture, network-based relations, in-group solidarity, and patriarchal domination. These factors affect the prevalence, strategy and performance of family firms. The research has received an award from the Academy of Management.

MORE INFORMATION:
IESE Insight / Strategy

Top Five Countries For Family Firms

Nigeria	1.00
United Arab Emirates	0.98
Bangladesh	0.94
Tanzania	0.94
Mozambique	0.92

Bottom Five Countries For Family Firms

Finland	0.17
Norway	0.10
Sweden	0.04
Denmark	0.03
New Zealand	0.00

Three Secrets for Coupon Campaigns

IGNACIO OSUNA, JORGE GONZÁLEZ AND MARIO CAPIZZANI

Discount coupons can be an effective tool for manufacturers and distributors, because they can generate new sales out of nothing or increase customer loyalty. This is confirmed in a study that offers three practical tips for maximizing the effectiveness of coupon campaigns:

- 1 Keep it simple.** To generate new sales, promote popular product categories that keep well and are easy to store. Focus on leading brands.
- 2 Frequency is key.** To reward loyalty, offer discounts on frequently bought products, like milk.
- 3 Use control groups.** That way you can know, among other things, whether a sale would have taken place even without the coupon.



MORE INFORMATION:
IESE Insight / Marketing

LONG-TERM STRATEGY FOR FIGHTING CORRUPTION

ADDIS BIRHANU, ALFONSO GAMBARELLA AND GIOVANNI VALENTINI

In Africa and Latin America, the prevalence of bribes is correlated with lower levels of investment, shorter-term business thinking, and diminished long-term growth. Can a change in strategy, based on the long term, help root out corruption? Professor **Giovanni Valentini** and his co-authors think so.

Their study shows that bribes negatively affect firms' investment practices. The authors have found that firms with a long-term vision invest in fixed

assets with their sights set on long-term profitability, while short-term thinkers pay bribes in order to gain quick profits.

The fight against corruption could bolster companies' long-term thinking, and with it, investment and growth. At the same time, developing a long-term strategy could help eradicate corruption.

MORE INFORMATION:
IESE Insight / Business Ethics and Corporate Social Responsibility

WHY ARE SOME CEO SALARIES SO HIGH?

MIGUEL ANTÓN, FLORIAN EDERER,
MIREIA GINÉ AND MARTIN C. SCHMALZ

Despite public indignation, many CEO salaries – which are already hefty – keep soaring and without any clear link to the needs of running the business. Why?

Profs. Miguel Antón and Mireia Giné took part in a study that links inflated CEO salaries to the growing presence of common shareholders in publicly traded companies in the United States; common shareholders have an interest in discouraging competition among firms in their portfolios. According to the authors, the goal of the biggest portfolio managers is clear: “To maximize the value of their entire stock portfolio, rather than the performance of individual firms within that portfolio.” The greatest concentration of common shareholders occurs in the financial sector, construction, manufacturing and services.

MORE INFORMATION:
IESE Insight / Leadership
and People Management



Listen to the Non-Experts

JOHN ALMANDOZ
AND ANDRÁS TILCSIK

Boards need expert advice to help guide management decisions. Common sense might then suggest that packing more experts on a board would make a good thing better. But do more experts really amount to a better-functioning board? The answer is “no,” according to a study published in the prestigious *Academy of Management Journal*.

Contrary to what we might expect, too many experts on a board can be downright dangerous and lead to business failure. This finding can help boards and shareholders construct more effective corporate governance structures.

MORE INFORMATION:
IESE Insight / Corporate Governance



CASE

Making the Right Investment Decision

ROBERTO GARCÍA-CASTRO

As a veteran of Abbey Road Studios, Ian Jones knew that the golden age when the Beatles recorded at the studios was long gone. In May of 2016, during recording for the first album of the up-and-coming group the Condors, their manager proposed a deal: half a million dollars for the production and marketing

of the group’s second album, if the first was successful. In exchange, the studio would have exclusive rights to the second album. It sounded like risky business, but what if the Condors were the next Beatles?

PARTICIPATE IN THIS CASE FORUM:
www.ieseinsight.com/review





INNOVATION IN EXECUTIVE EDUCATION GETTING BETTER ALL THE TIME

IESE programs are being adapted to the current needs and expectations of managers. We've taken into account the 21st century's global business context and new approaches to learning, without losing our essential focus on the case method and interaction among participants. The Programa de Dirección General (PDG), a general management program, is the first to venture into this process.

In a few hours, seven months of effort, commitment, and discussion will draw to a close. Seven months to open minds, to unlearn and relearn, to reflect from the perspective of general management, and to share experiences among a group of complete strangers from different places who have forged friendships that will last a lifetime.

The participants could already consider their time here to be done. They could already be thinking about how to apply what they have learned in their pending tasks as managers and how to make up the time that they dedicated to the program to their families. Instead, the students graduating today behave as if they had just arrived. They're making the most of this last November morning, squeezing



as much as they can out of every discussion, every piece of advice and every idea. In that pool full of experience and talent, enthusiasm and stimulation are key to bringing out the best in each participant and the group. After all, PDG participants come to find a space for reflection and to hear different points of view and learn different ways of doing things from other top executives.

MOVING AHEAD TO STAY NUMBER ONE

● This is one of the novelties to emerge from the current renovation of executive education at IESE. Despite being ranked among the top in the world every year by the *Financial Times*, the programs have to adapt to a quickly changing global environment and to managers who are already used to new technologies and arrive with different expectations from those that were held a few years ago. Barcelona's PDG-2-2016 cohort is the first to benefit from the redesigned program. In 2017 it will be extended to Madrid's PDG program. Other groups and programs will also begin to incorporate these new features.

"The new aspects of the programs build on the essence of IESE. Although the case method is in full force, we're updating the content by incorporating business challenges and opportunities that reflect today's complex environment," explains **Mireia Rius**, associate dean for Executive Education.

“THE NEW MODULES ARE A GREAT OPPORTUNITY TO INTERACT WITH EVERYONE IN THE COHORT”

Frank Pérez
Head of retail go-to-market, data intelligence & e-commerce at Unilever



“THROUGH THE CASE METHOD, THE PROGRAM HELPS YOU STRUCTURE YOUR IDEAS BETTER AND IMPROVES DECISION-MAKING”

Ariadna Colomer
Founding partner of Creative Beauty



“OVER THE LAST EIGHT YEARS, I HAVE LEARNED IN AN EMPIRICAL WAY, AND I WAS LOOKING FOR A WAY TO ROUND OUT THIS LEARNING”

Fidel Mallo
Director of the Corporate People Unit at Eurofred



“ALTHOUGH THE CASE METHOD IS IN FULL FORCE, WE’RE INCORPORATING BUSINESS CHALLENGES THAT REFLECT TODAY’S COMPLEX ENVIRONMENT”

Mireia Rius
IESE associate dean for Executive Education

“WITH THE NEW FORMAT WE WANT TO PROVIDE ADDITIONAL OPPORTUNITIES FOR INTERACTION”

Prof. Luis Palencia
Academic director of the PDG Program



“We haven’t changed the program contents; we’ve just added areas that weren’t included until now,” explains **Rius**. “All of this is the result of our work with alumni, IESE’s Learning Innovation Unit, the Executive Education committee and the program directors,” she adds.

“The PDG is a program that has functioned extremely well over the last 50 years. It has focused on helping managers to be better professionals and to make better decisions. The key is to encourage learning about issues that they already know about through specific situations, that is to say, business cases” adds Professor **Luis Palencia**, academic director of the PDG program.

“Over time, the participants’ profiles change and IESE, which has always been very receptive to their suggestions, wants to meet their new expectations. We want to make adjustments, but we have to be very careful not to neglect the case method and interaction among participants,” says **Rius**.

Today’s participants are seeking to maximize opportunities to interact with all of their peers: “Participants spend a lot of time with the same work team, which is very beneficial, but with the new format we want to provide additional opportunities for interaction,” said Professor **Palencia**.

The program provides a one-day break dedicated to professional development, which also helps participants learn from others and increase self-awareness. “We offer extra days of activities so that managers can reflect and learn more about themselves while developing their managerial capabilities,” he says.

“THE PDG GIVES YOU THE FRAMEWORK THAT EMPIRICAL EXPERIENCE LACKS”

- Participants have always exchanged information
- about their experiences, but traditionally these exchanges would happen within the same work group. Now, participants interact across groups in workshops like today’s, which turned the lobby of Building Q of IESE Barcelona’s North Campus into a classroom for a group discussion on the digital transformation of business.

Frank Pérez, head of retail go-to-market, data intelligence & e-commerce channel at Unilever, where he has worked for 25 years, states, “I wanted to work with people with completely different profiles and from different sectors from mine.” **Ariadna Colomer**, founding partner of Creative Beauty, explains that after ten years as a manager she was ready to acquire another layer of formal training: “I’ve run a small company for years and I always get input from the same people and the same sector. I really wanted to open my mind and understand other issues.”

The program is still based on the discussion of an updated set of cases, a methodology which always remains sound when implemented correctly. According to **Colomer**, “experience forms good and bad habits. Through the case method, the program helps you structure your ideas better and improves decision making.”

Fidel Mallo, director of the corporate people unit of Eurofred, joined his company’s management committee when he was only 30 years old. He saw this experience as a great opportunity but also as a very complex challenge.



“Over the last eight years, I have learned in an empirical way, and I was looking for a way to round out this learning. Often, empirical experiences lack a framework and a system for rationalizing and enhancing the impact of what you say and do,” he adds.

TECHNOLOGICAL REINFORCEMENT AND NEW ACTIVITIES

● Technological innovation is also a part of the new design. Part of the theoretical content that was previously taught in lecture format is now distributed in video clips through an online platform. Audio cases have also been introduced as a complement to the ones on paper and in digital format.

The current participants – the first cohort to try the new program features – especially value how these changes have increased efficiency: “The online content has made it possible for me to get ready for class during downtime at the office, and the audio cases have made the first reading of the cases easier,” stresses **Colomer**.

“For me it’s been really helpful to be able to access the materials online. In fact, I haven’t used any printed content throughout the entire program,” explains **Mallo**. **Pérez** agrees with him. “I think that the new online part encourages all of us to understand and use technologies that are already present in all kinds of businesses and sectors,” he added.

Also, the new workshops and simulations have facilitated interaction among participants and reinforced

TECHNOLOGIES AND DEVELOPMENT ACTIVITIES FOR SENIOR MANAGEMENT

TECHNOLOGIES:

● **Video Clips:** Equivalent to a technical note for preparing cases. This content was previously delivered as a technical note or in class through a lecture. Now it’s shared via an online platform and there are video clips in almost all areas (operations, marketing, ethics, accounting and strategy, for now). The aim of this change is that class time is mainly reserved for discussing cases.

● **Online Platform:** Digital space for sharing documents for class preparation. It also includes schedules, content and tools to promote discussion with the rest of the team.

● **Audio Cases:** Audio format, supplementary to the traditional format, which is the first contact with the case outside the classroom.

NEW SESSIONS:

● **Negotiation Workshop:** A favorite with this cohort, the workshop reinforces one of the most essential and common executive tasks.

● **Executive Coaching:** All participants can choose to take part in an executive coaching process that begins with a leadership competences assessment included in the IESE 360° test.

● **Executive Challenge:** Each participant describes to five others a specific business problem and receives feedback. Groups are different from the regular working groups and organized by industry and experience level.

● **Simulation** on managing change which complements strategy implementation.

● **Digitalization Workshop:** It aims at raising awareness among participants about the challenges posed by the ongoing digitalization of most industries.

their skills. According to **Mallo**, “the workshops give you a chance to get to know the classmates who aren’t in your working group. They have a different dynamic, outside the classroom, that strengthens class cohesion.”

“I especially enjoyed the Negotiation Workshop, because negotiation is an essential part of our day-to-day and it’s very important to work on it and improve,” says **Colomer**.

For **Pérez**, “the new modules are a great opportunity to interact with everyone in the cohort. In fact, I’m currently undergoing a change of job, and I used the Executive Challenge workshop to raise my concerns to the rest of the team; it was a really positive experience to have their feedback and support.”

EFMD CONFERENCE ON BUSINESS EDUCATION

“How We Teach Should Change”

As social trends pose new challenges, executives look to business schools. Experts from around the world gather at IESE to analyze the future of business education.

“There has not been much change in terms of what is taught. But the structure of how it is taught does need to evolve,” explained **Della Bradshaw** at the international European Foundation for Management Development (EFMD) conference on business education. **Bradshaw**, a former business education editor of the *Financial Times* said that education delivery mechanisms are a priority. “But are business schools moving into the digital age as much as they should be?” she asked.

Another key aspect to keep in mind, she added, are the new needs of professionals. “Those entering the workforce now are unlikely to retire until the age of 75 years old. Business schools should therefore offer more life-long learning for managers to return to again and again after their MBA.”

A good example of adaptation is the China Europe International Business School (CEIBS), an IESE-associated school that “was born out of a need for trained talent for multinationals operating in China 22 years ago,” explained Dean **Yuan Ding**. CEIBS was the first Chinese school to break into the FT ranking, and since its inception it has been able to evolve along with the needs of the market. In the



Yuan Ding, Dean of CEIBS, at IESE's Barcelona campus.

last five years, as the Chinese market has shifted from manufacturing to services, and changed its orientation from local to foreign markets, the mission of the school has evolved from “educating business leaders in China for the world” to “educating business leaders in the world for China.”

“Society is looking for answers, business is looking for answers, and business schools have to provide them,” explained **Bradshaw**, who

added that “business schools will have a real role to play in immigration, urbanization, environmental problems, and social issues, and also in teaching how to do it.”

The conference, co-organized by Professor **Joan E. Ricart**, took place October 10-11 at IESE's Barcelona campus. Participants included **Eric Cornuel**, director general and CEO of EFMD, and professors **Pankaj Ghemawat** and **Jordi Canals**.

“Society is looking for answers, and business schools have to provide them”

Global Taste of IESE Education Via the Internet

IESE's new program offered on the Coursera online platform, designed to strengthen basic business management concepts, has met with great success.

In just three months, more than 80,000 people from around the world have registered for the specialized business management program, Foundations of Management, which IESE made available on Coursera's online education catalog in September. The goal is to help aspiring MBA candidates, professionals with limited experience and entrepreneurs become familiar with fundamental skills that executives need and prepare them for future, short-term challenges.

Foundations of Management centers on four modules: accounting, finance, marketing and leadership.

The subjects are taught, respectively, by Profs. **Marc Badia**, **Miguel Antón**, **Mario Capizzani** and **Anneloes Raes**. In the fifth and final module, students can take part in a Capstone project led by Prof. **Carlos García Pont**, which focuses on decision analysis and a real problem faced by the company Gas Gas.

Each course lasts four weeks and requires from two to four hours each week of working time. The content is presented in ten videos per week, accompanied by lectures and exercises. The course features a free format, as well as one that requires a fee, but includes exams and a final certificate. Although IESE recommends that students participate in all the modules in the proposed order to obtain the certificate, Coursera permits registration in individual specializations. Individual courses are offered on-demand and enrollment is permanently open. Starting in 2017, the MOOC will also be offered in Spanish. According

to Prof. **Badia**, academic director of the program, "the sequence of the content provides real learning without the need for previous knowledge."

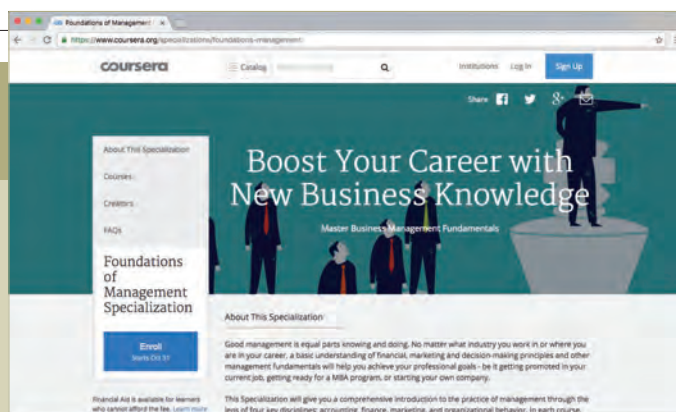
Giuseppe Auricchio, director of IESE's Learning Innovation Unit, says that "technology allows for the complete personalization of student follow-up, which increases retention."

Prof. **Badia** notes that "for many students, the course will be a fantastic complement for the unparalleled experience of the case method in our classrooms." In fact, new MBA students can participate in the course as an introduction to their program. Thus, this offering of online courses complements, but does not substitute, the school's core education. At IESE, in-person attention and discussion in class is considered to be the best teaching methodology, while also taking advantage of mixed learning approaches and new technologies.

Participants Rate the Program 4.8 out of 5

"An exceptional program, perfect learning for beginners." "I began without knowing anything and now I can confidently analyze the finances of a company." "Each concept is explained with real cases that are relevant, simple and clear." These are some of the more than 100 opinions about the course that students have contributed to the portal and demonstrate the excellent response the course has received.

The ratings received by Foundations of Management are notably higher than other similar programs offered on the Coursera MOOC platform, which has millions of users. Giving it a rating of 4.8 out of 5, users highlighted the quality of the content, structure of the course and



communication abilities of the professors. The success of the program is particularly noteworthy given the wide range of current participants, which include professionals, university students and academics based in five continents.

CHECK OUT THE NEW ALUMNI APP

Access to the alumni community and lifelong learning is easier than ever. Personalized content and new networking opportunities are now available for alumni thanks to the new app. Would you like to know who will be attending an event so you can contact them before, during or after the session? Would you like to have the alumni directory in your pocket? Do you want to view selected events, articles and e-conferences based on your professional interests? With this new app, the **Alumni Association's** services, and the experience of being a member of the IESE alumni community, are taken to a whole new level. Enjoy having it all at your fingertips.



“We are working to improve your access on all technology platforms. This will make our offerings more personalized and user-friendly. It will also make you more visible to one other and facilitate your networking potential”

JORGE SENDAGORTA
President of the Alumni Association



“The Association has joined the digital revolution to provide more value to our members. We want to get to know you better so we can recommend activities and content of interest to you, and leverage new technologies so you can build your network of contacts. The app will be a tremendous help in making that possible”

JAVIER MUÑOZ
Director of the Alumni Association

DATA

45,000

people have passed through the classrooms of IESE and now are part of the alumni community. The directory and other services available on the app help members build their contact networks.

123

countries of origin of our alumni. With the app, wherever you are from and wherever you are, all the IESE knowledge is at your fingertips.

122

e-conferences are available on the Alumni website and now on the app as well. With the e-conferences, you get the content from our professors' most relevant sessions.

226

sessions offered annually in the Alumni Learning Program, which last year took place in 29 countries with 23,156 participants. Now, registration is even easier on the app.



FEATURES

2 ALL THE LATEST NEWS

New services and projects of the Alumni Association can also be viewed in the app, so you don't miss a thing.

4 VIDEOS AND ARTICLES ON DEMAND

The e-conferences, which show sessions by professors, can also be viewed on the app. As with the articles, they are displayed according to your interests, to optimize the lifelong learning process. Now you can experience a session of the Alumni Learning Program whenever and wherever you want. A constant source of valuable, up-to-date information.

1

SEARCH

Use our search engine to select the events, articles and e-conferences you are interested in. You can also filter content by topic, location, and speaker.

3

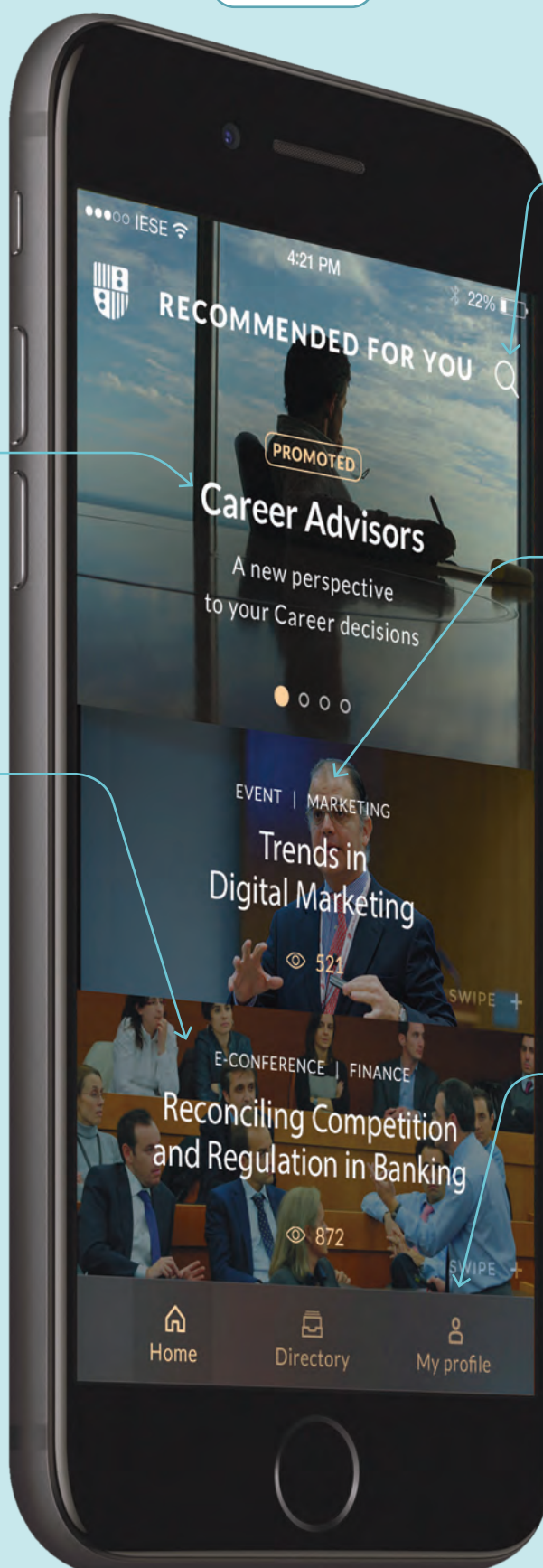
PERSONALIZED EVENTS

The app will show you related events based on the professional interests you selected. Register with one click. There are also new features that will facilitate your access to the sessions and the online interaction with other attendees.

5

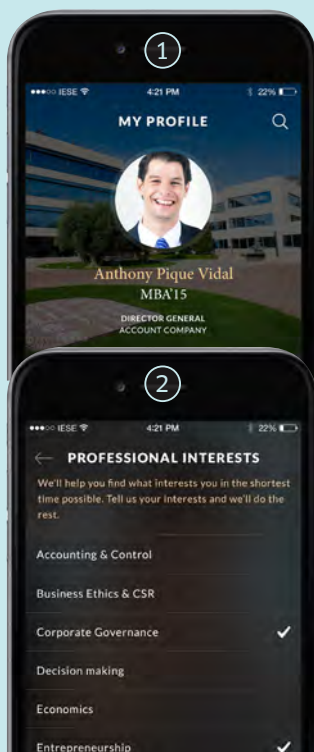
HOME

From the homepage, you can get a personalized view of events, articles and e-conferences. The directory facilitates contact with other alumni, and in My Profile, you can update your information and select your professional interests.



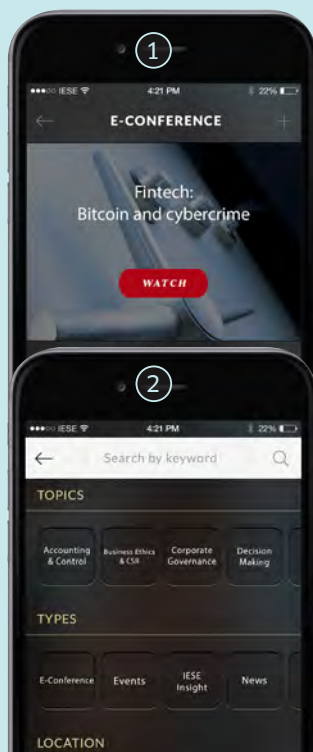
Four Key Advantages

With the app you can customize your profile, register quickly for an event, receive personalized lifelong learning content and boost your networking. It's easy to access and explore everything the app has to offer.



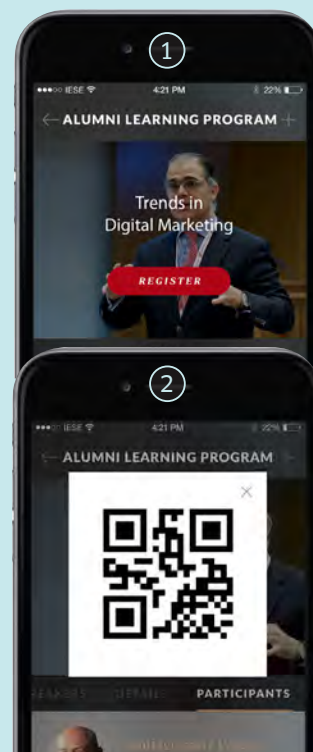
CONTENT TAILORED TO YOUR INTERESTS

- **What.** Show your best side and personalize the app content.
- **Where.** Go to “My Profile” (1) to upload your photo, update your contact info and indicate your professional interests (2).
- **Why.** Update your profile to increase your visibility among a community of 45,000 alumni. Pick the areas you're most interested in, and the content you see on the app's homepage will reflect these criteria.



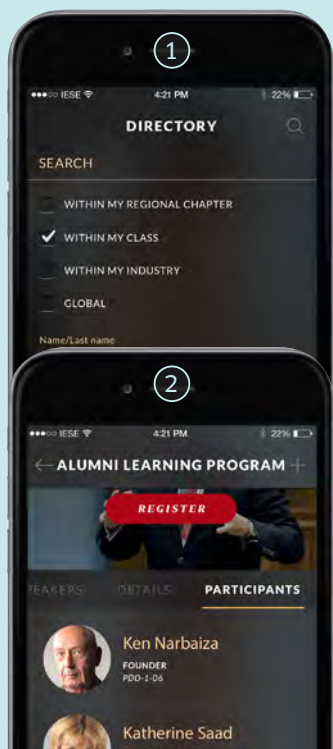
ALL THE CONTENT AT YOUR FINGERTIPS

- **What.** Personalized lifelong learning and access to content.
- **Where.** On the homepage you will see e-conferences (1), articles and events based on your interests. Search and you will find new content every day (2).
- **Why.** These days, it's vital to be informed about the latest trends in specific knowledge areas. The personalized content, search function and the option to save bookmarks make it easier than ever.



QUICK REGISTRATION AND ACCESS TO ACTIVITIES

- **What.** Sign up for alumni events in a couple of clicks and identify yourself with a QR code when entering the session.
- **Where.** Access an event on the homepage or through the search engine. Under the event title you will find the registration button (1). After you register, a link will appear with a QR code (2).
- **Why.** When you join the session, if a QR code appears it is not necessary to identify yourself with your Alumni Association membership card. If you change your location, we will recommend new events near you.



WHY WAIT? DOWNLOAD THE APP NOW!

For direct access, use this QR code. Now available for Android on Google Play and for iOS in the Apple Store.

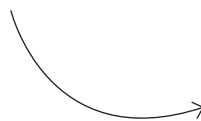


MORE NETWORKING WITH AN APP- EXCLUSIVE SERVICE

- **What.** One degree of separation between you and the rest of the alumni community. When you register for an event, you can see who will be attending and contact other alumni directly by using the directory and searching by program, chapter, industry or country.
- **Where.** Find other alumni through the directory (1) or the participant list from an event for which you want to register (2).
- **Why.** New networking opportunities made possible by having the directory at your fingertips. By knowing in advance which alumni you will see at an activity, you can reach out to them.

OUR APP HAS A VERSION FOR APPLE WATCH!

View the events calendar and receive important notifications to stay up to date.





IESE Dean Franz Heukamp, with Professor Rob Johnson, conference co-organizer.

2ND INTERNATIONAL SEARCH FUND CONFERENCE

DON'T START A COMPANY; BUY ONE AND HELP IT GROW

For the second time, IESE brings together the pioneers of the search fund, an innovative model that attracts entrepreneurs and investors from around the world.

IESE's Barcelona campus hosted the 2nd International Search Fund Conference, which convened key players from Europe, North and South America, Africa and Asia to discuss one of the hottest investment and growth systems around the globe. Through this event and its close collaboration with Stanford University, IESE stands out as a major epicenter of this new model.

BUT WHAT IS A SEARCH FUND?

It's essentially a system whereby an entrepreneur – often a young, recent MBA grad – wants to grow an existing company rather than start one from scratch. To achieve this, he or she needs the trust of a group of investors who will finance and guide the search process and will eventually fund the purchase of the selected company.

In the conference's opening session, "The Basics of Search Funds," the panel analyzed some of the key steps in the process. **Blake Winchell**, managing director of Partner Ventures and Fremont Ventures in Silicon Valley explains, "It's essential to look for stable companies that generate income to pay for debt and enable growth." **Jürgen Rilling** (MBA '99), owner and managing director of investment and consulting group Mirablau, emphasized that "the investor group should be heterogeneous and its members should be highly committed to collaboration." **Jon Herzog**, a partner in Goodwin Procter's Private Equity and Technology Companies Group, argued, "The deal is like writing a book with several co-authors; their relationships, concerns and emotions will be reflected."

From the perspective of the searchers, **Kilian Lamprecht**, managing director of Frankfurt-based Succession Associates, highlighted the importance of "connecting with other searchers, since sometimes it's a very lonely process." **Guy Solomon**, managing director of Tel-Aviv based Trail Mark Partners, also participated in the conference, held October 27-28. He stressed that being the first searcher in a given market provides a definite advantage.

David Jacq (MBA '16), founder of Transición

“THE WORST THING THAT CAN HAPPEN IS BUYING A BAD COMPANY”

David Jacq visited Spain for the first time while he was studying business management in his native Canada. He fell in love with this country and with the woman who is now his wife, and he decided to move to Madrid when he finished his studies. While working in a family business, he realized that his true calling was to lead his own company: “For years I thought that the most logical path to get there was to found a start-up, but during the MBA I heard about a new model called the search fund, and it fascinated me. I read everything I could find and talked to whomever I could. When I graduated, I had in place the necessary support to launch my own project. It’s best to be with investors who have decades of experience, and the most important challenge is to find the right company.”



Ricardo Velilla (MBA '15), founder of Lomba Capital

“THE INVESTOR ADVISES; THE SEARCHER TAKES THE INITIATIVE”

After working in start-ups, in the financial sector and in consulting, **Ricardo Velilla** still hadn’t found his true path. He decided that it was time for a change, and during his first month in the MBA, he heard about search funds: “It was instant. When I learned what it was about, I realized that I was mentally ready for a project like that, and I threw myself into it 100 percent. I read a lot, made contacts and helped other professionals. In the end, the process of getting my own fund was very natural, especially thanks to IESE’s international conference. Despite being a very lonely path and an emotional rollercoaster, the model allows you to be a manager in record time and with an incredible amount of support from investors.”

León Bartolomé (MBA '84), private investor

“THE MODEL IS AN ABSOLUTE LUXURY”

In 2013, after an outstanding trajectory in the international banking sector, **León Bartolomé** realized his true professional dream: to dedicate himself full-time to his personal investments. Some years earlier, he had already created his own investment fund, and at an IESE program he met **Marc Bartomeus**, the first searcher in Spain. Bartomeus explained the model to him. “It first attracted me because it’s profitable, but it also enables you to analyze the task of a searcher and future CEO, collaborate with investors from around the world and learn about new companies and markets. It’s an absolute luxury,” he explains. He adds a bit of advice: “To be successful in the long-term, it’s crucial that the searcher adapt well to the role of CEO during the first year after the purchase of the company.”



REFLECTIONS IN NEW YORK AND LONDON

WHAT'S FIXED AND WHAT'S NEXT FOR BANKING?

Eight years after the global financial crisis of 2007-2008, banking faces a hydra-head of challenges from regulation to reputation management, the digital revolution, low interest rates and recession. Added to that, there's the spectre of Brexit and uncertain times ahead in the U.S. following the seismic change in the political sphere. Is this banking's "existential moment"?

These were some of the topics on the program for the third "Challenges for the Future of Banking" panel discussions held in London on November 17. IESE got the engine running with an event titled "Competition and Regulation in Banking After the Crisis, a Global Perspective," at IESE's New York campus a month earlier, on October 17.

George Osborne MP, the U.K.'s Chancellor of the Exchequer from 2010 to 2016, gave the keynote speech at the London conference. The discussions were conducted under the Chatham House Rule, whereby participants can use information from the talks, but cannot attribute its source. The meeting, hosted by IESE and Columbia University's School of International and Public Affairs (SIPA), brought together a powerhouse of finance experts for a full and frank exchange of ideas.

Jaime Caruana, general manager of the Bank for International Settlements (BIS), IESE's Dean **Franz Heukamp**, **John C. Coffee**, Adolf A. Berle professor of law at Columbia Law School, Prof. **John Vickers** of Oxford University and

Paco Ybarra, global head of markets and securities services at Citi, were among the thought leaders taking the financial sector's pulse at the meeting.

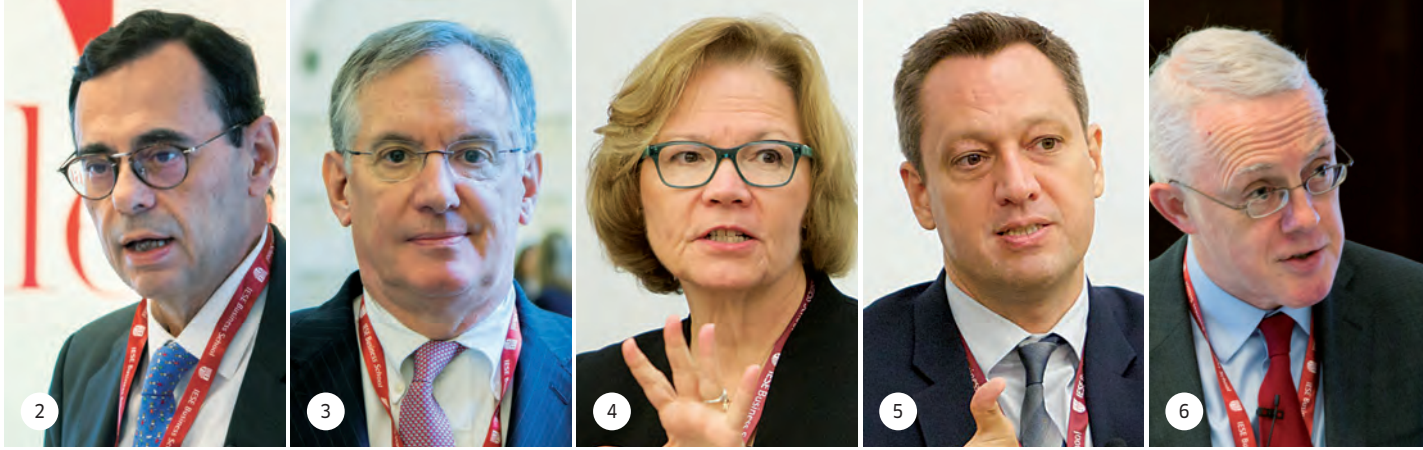
HOW MUCH IS TOO MUCH?

Many governments responded to the financial crisis with a raft of legislation to deleverage banks' balance sheets, clean up some modes of operation, and mandate greater disclosure. But, now, some are asking if the lawmakers' doubling-down on stability and solvency might have inadvertently stymied financial innovation.

Policymakers aside, the current uncertain operating environment and low interest rates are negatively impacting banks' share prices. Fear of downgrades has added another ladle of uncertainty and prompted bearish behaviour. High dividend payouts to shareholders were also singled out as a constraint to banks' profitability.

Earlier in New York, experts also debated how to resolve the trade-off between a competitive financial services market and stability in the banking sector. Prof. **Xavier Vives** believes we can have both, but only with carefully coordinated regulations which match current market conditions.

On that point, Prof. **Patrick Bolton** of Columbia Business School said it's important we expand what we view as competition. With tighter regulation and capital requirements keeping banks in second gear, shadow banks have flourished – those financial intermediaries which perform





typical bank activities (such as mobile payment systems or hedge funds) but are not regulated as one.

So where should the fulcrum fall for the balance between stability and competition in banking? Prof. **Vives** proposed a shift from regulation of banking institutions toward supervision based on the entity's business function. In other words, if a shadow bank provides similar services to a traditional bank, it should be under the same umbrella of regulation – an idea that emerges from Prof. **Vives** new book: *Competition and Stability in Banking*.

Back in London, the experts agreed that regulators need to broaden the data they assess and include more behavioural analysis. The Federal Reserve's stress test was flagged up as a more efficient route to changing behavior and a potential model for the European Union.

1. **George Osborne**, former Chancellor of the Exchequer, government of the United Kingdom.
2. **Jaime Caruana**, general manager, Bank for International Settlements.
3. **David Schraa**, regulatory counsel, European Representative Office, Institute of International Finance.
4. **Patricia Mosser**, senior research scholar and senior fellow, Columbia SIPA.
5. **Tobias Adrian**, associate director of Research at the New York Federal Reserve Bank.
6. **John Vickers**, professor at Oxford University.
7. Prof. **Franz Heukamp**, IESE dean.
8. **Stephen Cecchetti**, professor at Brandeis University.
9. **Patrick Bolton**, professor at Columbia Business School.
10. **Kinner Lakhani**, managing director, Deutsche Bank Global Markets.
11. **Paco Ybarra**, global head of markets and securities services at Citi.





1. **Colin Church**, Chief Risk Officer EMEA, Citi.
Emilio Saracho, then vice chairman of JP Morgan Chase and now appointed chairman of Banco Popular.
John C. Coffee, Adolf A. Berle professor of law at Columbia Law School.
2. **Juan J. Toribio**, professor at IESE.
3. **José M. González-Páramo**, professor at IESE, and executive board member and director of global economics, regulation & public affairs at BBVA.
4. **Xavier Vives**, professor and academic director of the Public-Private Sector Research Center at IESE.



MIND THE (REPUTATION) GAP

● Despite banks’ rigor in implementing post-financial crisis regulations and capital requirements, depressed share prices indicate that investors are not convinced. On top of that, the sector has a long path ahead to recover the public’s trust.

According to **Tobias Adrian**, associate director of research at the New York Federal Reserve Bank, before the economic crisis, shadow banks encouraged excessive risk taking, by increasing competition against the bank sector, while simultaneously allowing banks to generate profits. “In retrospect, this is what the machine of securitization was doing,” he said. Improved accounting standards keep securitization (the process of taking an illiquid asset such as a bundle of mortgages and converting it into a security) at bay. But securitization still exists and accounting is not always aligned with the public good.

Adrian shared common ground with one of the banking experts in London. The participant posited that the nub of the question was not whether regulation was stifling innovation, but rather whether innovation in banking is on the right path. He described a situation with poor incentives, bank’s on-going proneness to maximize leverage due to the cost of equity capital, downward share prices and high dividends payouts.

Banks need to go further in terms of pursuing a collective good. Beyond maintaining appropriate capital levels, they need to address controversial compensation policies, and review how they channel funds between savers and borrowers, without passing costs to customers.

Panel members highlighted the need to build the appropriate culture as a counter-weight to dodgy practices. This drills down to hiring the right people for the right roles, and rewarding them appropriately. At the C-suite level though, some participants expressed disquiet at the European Central Bank’s measures to drive compliance in bank leadership, a move seen by some as potential intervention in how boards are structured.

The banking experts also discussed the challenges brought by the digital era. On one hand, online banking is re-drawing the playing field and on the other, it brings huge and unprecedented hacking risks.

THE ROAD AHEAD

● Earlier in New York, Columbia’s Prof. **Bolton** noted ● economic crises’ cyclical nature. Tighter regulation is the knee-jerk reaction to a financial crisis. Then ten or twenty years later, other finance-focused companies crop up operating at the margins. Heavy regulation renders banks uncompetitive. Governments typically respond by deregulating the banking sector to improve its competitiveness. And so the cycle goes on.

“There is a significant number of political decisions that end up having system-wide impacts on both competition and regulation,” said **Patricia Mosser**, senior research scholar and senior fellow at Columbia’s SIPA. Viewed through the lens of the U.S. presidential election and the U.K.’s Brexit decision, a political lens is a useful tool for addressing the impacts of competition and regulation on economic stability.



YOUR COMPANY COULD BE THE NEXT ONE

FREE SECURITY TEST FOR IESE ALUMNI USING THIS CODE IN OUR WEBSITE*

CD2AF6



YOUR SECURITY, OUR COMMITMENT
www.eurostarsecurity.com | 902 21 12 10

*Further information and conditions at www.eurostarsecurity.com/promo

"LA CAIXA" CHAIR ANNIVERSARY

A Decade Researching Social Responsibility



Jordi Gual, chairman at CaixaBank; Prof. Franz Heukamp, IESE dean; and Prof. Antonio Argandoña, holder of the "La Caixa" Chair.

● "It is not enough to comply with the law. The decisions we make in companies have a major impact on employees, customers and society. To make fairer decisions, we need to respect ethical rules," said CaixaBank Chairman and IESE Professor **Jordi Gual** in a session to mark the 10th anniversary of the "La Caixa" Chair of Corporate Social Responsibility and Corporate Governance.

The Chair, established in 2006 as one of the first in Spain, encourages awareness of corporate social responsibility, not only from an academic perspective, but also in terms of business management and executive education.

The event brought together more than 250 managers on the Barcelona campus on November 3. IESE Dean **Franz Heukamp** and Prof. **Antonio**

Argandoña, chair holder, also participated.

IN THE SERVICE OF SOCIETY

● Professor **Gual** compared the model of shareholder capitalism to that of stakeholder capitalism. In the latter, businesses are social institutions based on relationships of trust and commitment: "The various stakeholders are mutually committed to achieving goals that go beyond the maximization of corporate profit." The CaixaBank chairman stressed the need for companies to invest in improving the conditions of their customers, shareholders, employees and society in general.

Professor **Argandoña** highlighted the importance of a company demonstrating its values and admitted that "it is not easy to maintain employee or customer trust, but corporate so-

10 YEARS OF INTENSE SCIENTIFIC AND RESEARCH WORK

During its first ten years, the "La Caixa" Chair has produced 32 articles published in top-tier specialist journals, 53 chapters published in scientific books and 32 informative articles. More than 50 conferences, symposia and seminars have been held, and scientific and outreach activities have been rolled out across 17 countries. The Chair, which will be renamed CaixaBank Chair of Corporate Social Responsibility, conducts research on social enterprise, financial system ethics, and the challenges of social responsibility.

cial responsibility can help achieve this." He added, "Do not confuse corporate social responsibility with philanthropy. Corporate social responsibility begins with the normal running of the company and is about employees, customers and the environment."

Professor **Heukamp** commended the pioneering nature of La Caixa's commitment in the early years of the corporate social responsibility movement and praised the international prestige achieved by Professor **Argandoña's** work. "The years of economic crisis," said Dean **Heukamp**, "have shown us the need for ethics and corporate social responsibility."

The Future of Work Is Now: Are You Ready?

- Future-proofing Your Job From Robots
- Five Keys to Manage Millennial Talent
- Staying Ahead in the New Employment Context

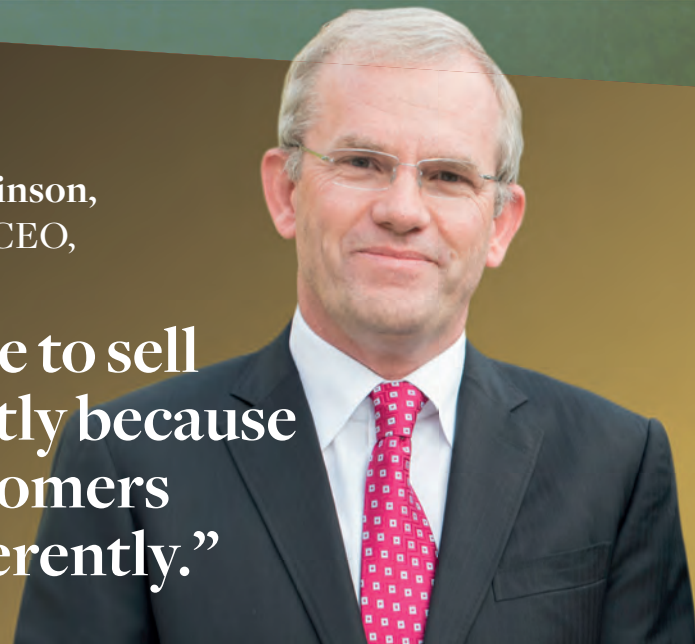


Plus...

- **Conscious Capitalism: Unlock Your Business's Potential**
- **Mobile Payments: The Keys to a Killer App**
- **HP Helion: Is It Time to Migrate to the Cloud?**
- **Building a Fear-free Organization**

Mark Hutchinson,
President & CEO,
GE Europe

“We have to sell differently because our customers buy differently.”



FREE access with your Alumni Association user name and password!





Richard Pzena, chairman and CEO of Pzena Investment Management, at an MBA course.

THE KEYS TO VALUE INVESTING

How to Manage a Securities Portfolio

“The secret to success is to hunt out the skewed returns,” said **Richard Pzena**, chairman and CEO of Pzena Investment Management and a noted figure in the field of asset management. **Pzena** recommended looking for “investments with downside protection coming either from the firm’s customer base or the assets it owns. So while you could lose 20 percent of your investment value, you can maybe double the value if things go well.”

Mario Gabelli, founder, chairman and CEO of GAMCO Investors, argued that the success equation involves buying shares for less than what a well-informed private ana-

lyst would pay for similar assets, and looking out for a “catalyst,” which can be “regulatory changes or industry consolidation; repurchase of shares, management or capital succession or shareholder activism.”

Pzena and **Gabelli** addressed MBA students during the “Value Investing” course held on September 8 and 9 as part of IESE’s MBA module at the New York campus.

“The course is equally for students who want to become professional asset managers and those interested in managing their own portfolio of stocks,” said Professor **Marc Badia**, academic director of the first year of the MBA.

Success is based on buying shares at a discount and looking out for a “catalyst”

THE MUNICH CAMPUS WELCOMES AN EXTENSION OF THE SMS CONFERENCE

Innovation Beyond Start-ups

“Business model innovations impact all aspects of our lives,” said Professor **Joan E. Ricart**. They affect “how we consume, work and interact with each other.” Prof. **Ricart** stressed that the current climate of constant change requires companies, even those that are well established, to continuously re-evaluate their business models. “Business model innovation isn’t just for start-ups,” he added.

How can established companies innovate their business models? How do they innovate differently from start-ups? These were the central themes of the sessions organized by professors **Ricart** and **Christoph Zott** on September 16 at IESE’s Munich campus, as an extension of the 36th Strategic Management Society Annual Conference (SMS), held in Berlin.

REINVENTION FROM TOP DOWN

Bosch’s director of business model innovation, **Johannes Sommerhäuser**, highlighted the need for senior management to “embrace” business model innovation for success.

In the same vein, **Rudolf Freytag**, CEO of Siemens Corporate Technology’s Innovative Ventures, pointed out the need to “bridge the corporate and venture worlds.” Based on his experience, he is convinced that each has a fundamental role in business model innovation.



Professor Joan E. Ricart



GLOBAL SCOPE, PERSONAL IMPACT

IESE EXECUTIVE EDUCATION

IESE gives you a window on the world of global business. With five campuses across the globe and a world-class international faculty, IESE has unparalleled reach and scope.

Our portfolio of general management programs delivers a transformational learning experience. An experience that will expose you to new ideas and the diverse perspectives of top-tier international peers. An experience that will shed light on the global trends that are changing your industry, and help you to stay one step ahead of the market. An experience that will deliver the knowledge, the global insight and the values to ensure that your leadership has immediate, positive and personal impact.

If you're ready to make your mark in the world, join IESE.

UPCOMING PROGRAMS

PROGRAM FOR MANAGEMENT DEVELOPMENT

Munich begins on February 7, 2017
Barcelona begins on March 20, 2017
New York begins on June 5, 2017
Sao Paulo begins on May 22, 2017

ADVANCED MANAGEMENT PROGRAM

Barcelona begins on March 27, 2017
Sao Paulo begins on July 24, 2017
New York begins on October 23, 2017
Munich begins on November 6, 2017



**A WAY TO LEARN
A MARK TO MAKE
A WORLD TO CHANGE**



MBA CAREER FORUM

COMPANIES SEEK NEW CAPABILITIES

Is your company able to manage diversity in an effective way? That's one of the key competencies global firms look for when recruiting MBA graduates.

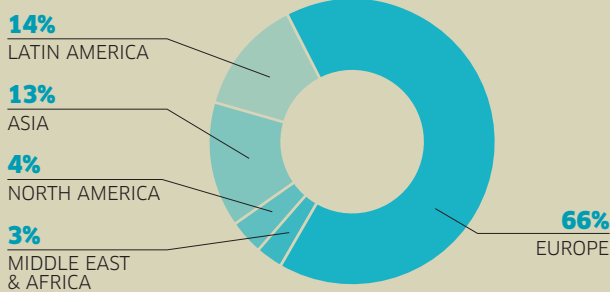
Firms face a series of “unstoppable trends,” which will require them to rethink their strategies and business models, said **Pablo Moliner** (MBA '97), lead partner health practice EMEA for A.T. Kearney. Technological, social, political and enterprise disruption are set to impact firms in a number of ways. “These trends will not only cause big changes in the workforce, but also in consumers and what they need,” he said at the first MBA Career Forum for this academic year.

In view of this shifting landscape, many companies have changed the skill set they focus on. In the past, firms sought professionals with traditional capacities such as strong analytical, communication and interpersonal skills. Today, however, an increasing number of companies also seek people who can manage diversity, understand trends just on the horizon and lead change in the organization. “We also look for those who have intellectual curiosity, along with collaboration and technological skills,” **Moliner** said, and added that his company has also expanded the types of profiles it considers and where it looks for them. Leading business schools, however, remain the “primary sources” for recruiting, he said.

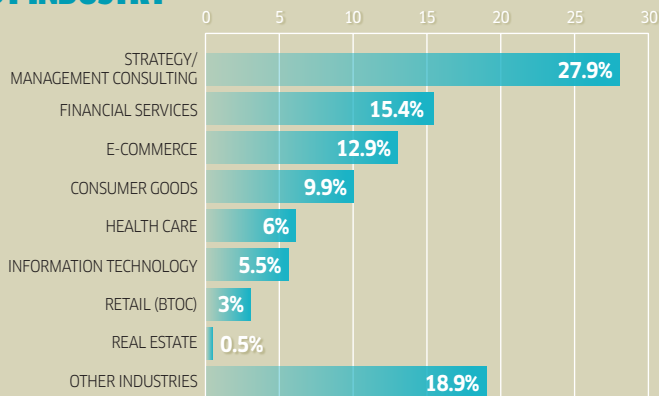
According to the A.T. Kearney executive, IESE has taken the lead among business schools in facing changes in

IESE MBA PLACEMENT - CLASS 2016

BY REGION



BY INDUSTRY



Mark Dorn (GEMBA '03), senior vice president at BASF Management Consulting, was one of the recruiters at the MBA Career Forum, which included more than 40 firms.

the environment, through its global activities, adoption of new technologies and the international diversity of the faculty and curriculum. “All in all, IESE has been adapting very well to trends in the marketplace,” **Moliner** said, noting that this year, the school moved up to become one of A.T. Kearney’s top ten business schools for international recruiting.

DIVERSITY IS KEY

● Most global companies have sharpened their focus on recruiting professionals who can put forward diverse ideas. “Having diversity is important to us, particularly thought diversity, and the ability to look at problems from different angles and propose varied solutions,” said **Mark Dorn** (GEMBA '03), senior vice president, BASF Management Consulting.

Tackling environmental challenges, for instance, requires this type of mindset. Today, humans consume more resources than the earth can renew in a year “and chemistry can help provide solutions,” he said.

IESE’s MBA Career Forum provides an ideal opportunity for employee branding where companies can create awareness about their values. “Every school provides knowledge, basic skill sets and tools; but the second part is the cultural fit,” **Dorn** said. “As a company, we want to

treat people with respect and fairness, and that’s one of the values that fits well with IESE.”

Identifying high-potential MBA graduates with strong general management skills is often more difficult than finding capable scientists, engineers or accountants, he added. “Knowing how to prepare a P&L, lead a large organization or develop a strategy, while making sure the organization is coherent and works – these are much rarer skills.” IESE, he said, offers a “high density” of graduates with these managerial competencies.

Echoing this point, **Nico van den Brink**, director of MBA Career Services at IESE, noted that the school stands out from others for its MBA profiles, which reflect diverse backgrounds and a general management perspective of business. Companies also value IESE MBA graduates’ ability to make decisions and “be operational” from day one, he said. “Our students have a deep understanding of the importance of people in the organization and the ethical implications of the decisions they make every day.”

Last year, 91 percent of IESE MBAs accepted a job offer within three months of graduation. The Career Forum held on the school’s Barcelona campus on October 24–26 included more than 40 firms from a range of sectors such as finance, tech, retail and manufacturing. The event featured 22 networking events over three days.

WOULD YOU KNOW HOW TO REPORT TO A BOARD?

There's no question that defending a project to a board member isn't easy. EMBA students offer some pointers after participating in a simulation where they posed as members of an executive committee and interacted with real executives.

“**T**oday the technical capacities of professionals are taken for granted, and what really makes a difference is their ability to engage in the practical aspects of a firm's day-to-day life – and reporting to a board is one of these,”

says **Gilles Drege**, managing director of Reig Capital Group.

That is what second-year Executive MBA students looked at in the executive management simulation program (EX-SIM). Without leaving the classroom, they put themselves in the shoes of company leadership. In addition to competing with other companies, students negotiated with real members of boards, banks and trade unions.

Jordi Mallo (EMBA '16), consultant at Laboratorios Esteve, explains, “You have to make decisions without having all of the information and do it fast. You have to live with the consequences, correct your mistakes and adapt for the future.”

Carlos Tarragona (EMBA '16), head of international sales for Kompuestos, adds, “You have to fight on despite



1



2



your shortcomings, so knowledge becomes very valuable.” In this context, it’s essential “to know how to manage stress and nerves,” notes **Nicolas Gruloos** (EMBA ’16), senior manager at Lexmark Enterprise Software.

“Making decisions quickly with limited information requires flawless coordination,” explains IESE Lecturer **Albert Girbal**. Negotiating with different professionals, the students have to “manage and interact with the firm’s principal stakeholders: the board, the employees – through the trade unions, and the banks.”

When it’s time to negotiate with a financial institution, **Jordi Llobet** (PDG ’14) says, “It’s very important to understand that the person that meets with you knows little about your company.” Banco Sabadell’s director of risk management for the area of Catalonia says: “You have to tell me who you are, where you are, what your job is, what product you offer. Then come the numbers. People come first. People are what builds trust and convinces you that a relationship can be long-lasting and sustainable.”

From the unions, **José A. Pasadas**, secretary for sectorial policies at UGT Catalonia, advises managers to “look down” because “you have to take into account the human impact that your decisions can have on the workforce.”

CROSS-CUTTING VISION

● Thanks to the simulation, the students “learn that there is a very important interaction between the various areas of the firm,” explains investor **Luis Ivandic. Maria Colomar** (EMBA ’16), back-end products director at wuaki.tv concurs: “We’ve seen that each role is indispensable for everything to work well; a good group dynamic is essential.” For that reason, **Francisco Centeno** (MBA ’87), CEO of BacktoRoots, recommends that managers be “transparent in everything they do. They should have that spirit that’s about the team, about work and about analysis.”

REALITY CHECK

“It’s a chance to take a look at the reality of business, which many people haven’t experienced,” says **Hermann Camps**, former managing director of Benetton Spain. The program is a “reality check for what they might encounter, both as managers and as workers,” says **José A. Pasadas**, from the UGT trade union. Both **Camps and Pasadas** participated in the EMBA executive management simulation program (EXSIM).

The EXSIM strengthens the skills, knowledge and values necessary to carry out responsible and successful business management. The students, who have been training for months using the case method, complement their perspective on management with this program. It is a week long, and students work in teams of five or six in sessions that last all day.

According to Professor **Natalia Yankovic**, “In the cases, we never see what would have happened if we’d implemented our ideas. In contrast, in the simulation, we have to make decisions in a competitive context and live with the consequences. This creates tension and a real understanding of the firm’s different moving parts.” She added, “It’s a unique opportunity that enables students to experience and contextualize everything they’ve learned during the first year of the program.”

It’s an “exceptional experience,” according to **Tania Planes** (EMBA ’16), Applus Norcontrol’s head of industrial security for Catalonia and Aragon. “Very intense in every way: in terms of time, in terms of emotions, in terms of the team,” explains **Alejandro Jaumandreu** (EMBA ’16), CEO and Co-founder of Placetobe.



3



4

STEP BY STEP

During the EXSIM, EMBA students put what they learned during the first year of the program to the test. During this intensive week they simulate joining an executive committee. The experience includes:

1. **Group decision-making** on company strategy and operations.
2. **Outlining a financial policy.**
3. **Negotiating** with real risk management directors from financial institutions and with active union leaders.
4. **Giving an account** of the firm’s **bottom line to a board** made up of executives and professors.



Mario Capizzani, academic director



Pablo Foncillas, academic director

INDUSTRY MEETINGS HIGHLIGHTS

Industry Meetings help you expand your knowledge, get up to speed, network and discover the latest trends, while contributing your expertise to shaping the future of your industry. Don't miss the essential ideas from the last four meetings hosted by IESE – and remember, you can find more information on each of them on the IESE website: www.iese.edu/industrymeetings



1 This finding comes from the study "Digital and e-Commerce Initiatives: Present and Future," by academic directors **Mario Capizzani** and **Pablo Foncillas**, which was presented at the meeting. According to this research, 50 percent of companies have already created, or are looking into creating, a separate division to leverage the opportunities of e-commerce.

2 The hashtag **#IESEecom** was one of the trending topics on September 22 in Barcelona.

3 **Levoni** was joined by 15 additional speakers, including **Nicolas Borg** of Zalando; **Vernon Bubb** (MBA '03) of LinkedIn, and **Gerard Olivé**, founder of companies like Wallapop and BeRepublic.



Cosimo Chiesa, academic director



Julián Villanueva, academic director



1 The **Sales and Marketing Officers Meeting** created a major buzz on social media. The hashtag **#IESEventas** was a trending topic in Madrid on October 5, the day of the event. Renowned speakers participated in the meeting, including **José L. Saiz** (PDG '07), managing director and CEO at Calidad Pascual; **Cristina del Ama** (PDD '04), general manager and head of sales and market management at Allianz

Seguros; and **Álex López**, owner of Sartia Formación.

2 The **7th annual survey of corporate sales networks in Spain** highlights the concern of marketing directors with attracting and retaining customers. Profs. **Cosimo Chiesa** and **Julián Villanueva** presented the findings of this research during the meeting. The study

recommends changing the CRM approach to create value in each interaction, whether face to face or through another channel. Read the study here: <http://bit.do/dicom>



1 For SEAT, the connected car is a priority, “for both our business and our technology roadmap,” said its president, **Luca de Meo** (pictured right, next to IESE’s dean, Prof. **Franz Heukamp**). SEAT sees a business opportunity in connecting the vehicle with the user, the dealer and the infrastructures. For **De Meo**, the future is about “creating an ecosystem of mobility and service around the product.”

2 **Dieter May**, VP of digital services & business models at BMW (pictured left, with Prof. **Marc Sachon**), was among the speakers at the **31st IESE Auto**, hosted at IESE Barcelona on November 15-16. The meeting was attended by a total of 231 executives and featured the participation of Profs. **Sachon** and **Jaume Ribera**, authors of the book *The Chinese Automotive Industry* in 2016.

3 The speakers agreed that the car of the future will not just be a car, but the center of a platform that will integrate various services and features to improve the user experience. Another priority, according to Nissan Europe VP **Frank Torres** (PADE '15), is making advancements in autonomous driving in order to reduce accidents, since “90 percent of traffic accidents are caused by human error.”



Núria Mas, academic director



1 **Nuno Godinho**, general manager of software at GE Healthcare, says connectivity represents a major opportunity for health care. Digital is revolutionizing the healthcare industry, not only because millions of people can now interact with each other, but also by connecting people’s devices, as we’re seeing with wearables and, beyond that, the possibility of connecting machines to one another.

2 “When you have to make a change, the most important thing is knowing where you’re going. And we all clearly want value-based healthcare,” said **Núria Mas**, professor and academic director of the meeting. “We cannot afford to continue with the same system as before. We have to pay not only for the services offered, but also for the results,” she added. Addressing these challenges requires a change of mindset and partnering among the different actors.

3 The challenges posed by the digital transformation and its impact on health were among the issues discussed at the **23rd Healthcare Industry Meeting**, held October 27 on the Barcelona campus.



Top executives from the German business group Haniel at the Barcelona campus.

WHY DID HANIEL GROUP'S LEADERSHIP CHOOSE IESE?

Looking for a New Mindset for the Digital Era

Two members of the Haniel group's board of directors and the CEOs of its four business divisions joined in IESE's Custom EXCEL! Program.

● Senior executives from Haniel, ● a German family-run group, manage large companies in the mail order, textile, hygiene services and stainless steel marketing industries. In addition, Haniel invested in the Metro Group, which includes stores such as Media Markt, a European leader in consumer electronics. It's a diverse set of sectors, but they all share one trait: they are being impacted by the digitalization of the economy.

"Over the course of 260 years of Haniel's history, its business models have changed various times," says **Peter Weidig**, head of management development & Haniel Academy.

"But if we're talking about the people who work in the company, most of them have experienced a stable environment." These professionals have to adapt rapidly to change: "We're moving in a very dynamic environment, with the arrival on the market of new competitors," he adds.

DON'T FORGET STRATEGIC COHERENCE

● One of Haniel's main obstacles ● is to maintain strategic coherence in the digital era. For **Weidig**, the program demonstrates that digitalization is less about technology and makes it necessary to "change our way of thinking."

Professor **Marc Sachon**, academic director of the program, believes that this process is the core of EXCEL! It's not about

defining concepts such as innovation, digitalization or transformation, or about implementing them. Instead, it's about "deploying various perspectives on these matters and finding the most suitable responses for each professional environment," says **Sachon**.

Exchanges among managers who don't tend to share their day-to-day experiences are also fruitful. "We're all in the same boat," says **Weidig**, "and we want to create a platform where executives can learn from each other."

All of this while remembering business leaders' responsibility: "Innovation begins with creativity and thinking against the mainstream. That's why we start at the top, with managers, because they should encourage a context where innovation can occur," he adds.

"Digitalization requires changing our way of thinking"



IESE's campus in Munich, which opened in June 2015.

FIRST FOCUSED PROGRAM ON THE MUNICH CAMPUS

A Shortcut to the Digital Future

“We did a very careful analysis of the so-called Industry 4.0, because one of the main concerns of business is not knowing what’s going to happen in the future or what all the changes will mean for the company itself.” This is how Prof. **Sandra Sieber**, director of the program Digital Mindset: How to Innovate and Lead Your Business for the Future, illustrates the relevance of being prepared for the future.

The program aims to reflect the implications of digital density and offer a new value proposition. “We believe it’s time to move past the perception that digital is only a fraction of information technology. The fact is, it has a dimension of its own,” says Prof. **Sieber**.

This Focused Program, which ran October 18-21, is the first one to happen on the Munich campus. It is also offered at IESE New York. Munich will host another Focused Program in July: Industry 4.0, led by Prof. **Marc Sachon**.

THE IESE MBA, ACCORDING TO THE *ECONOMIST*

First in Europe, 8th Worldwide

IESE is the top business school in Europe and eighth in the world, according to the ranking of MBA programs published by the *Economist*.

The British magazine highlights the cultural diversity of the participants, the experience in both the classroom and the international modules around the world, as well as the efforts of the Career Services department, which helps 91 percent of students find jobs within three months of completing the MBA. In

the past 50 years, the program has trained more than 10,000 executives.

The ranking published by the *Economist* is based on surveys of more than 50,000 graduates of MBA programs worldwide, along with data provided by the schools themselves. It also considers the rankings from past years. The key factors taken into account are: new career opportunities created, professional development and educational experience, wage increases, and the building of a strong network of contacts.



IESE is the only European school ranked in the top ten.

GENIE 2016 CONFERENCE

Innovation Is Healthy

Experts in the field of health and education gathered at IESE Barcelona to discuss how to drive innovation in the development of healthcare leaders. Of the 88 speakers at the GENiE Conference, eight were IESE professors.

The GENiE network was created in 2012 by Prof. **Regina Herzlinger**,

of Harvard Business School, to facilitate the exchange of experiences between professors and experts in health and innovation. This edition, which took place October 24-26, was the first one held outside the United States. Organized at IESE, GENiE has joined forces with the European alliance EIT Health.



A group of Strathmore AMP participants, at the networking event.

AFRICA THINK TANK AND NETWORKING EVENT

Building Bonds With Africa

Twenty-four AMP participants from the IESE-associated Strathmore Business School (SBS) visited the Barcelona campus to take part in one of the program modules. Coinciding with their visit, the campus organized the Africa Think Tank and Networking Event, November 17.

At the event, notable Kenyan executives discussed the business opportunities their country offers.

The event was chaired by Professor **Alejandro Lago**, co-director of IESE's Africa Initiative, and **Bramwell W. Kisuya**, Kenya's ambassador to Spain.

THE ECONOMIST JAPAN SUMMIT

The Future of Work, Up for Debate in Japan

Professor **Paddy Miller** participated as a speaker at the *Economist* Japan Summit. Under the slogan "Future Works," the October 21 event brought together more than 200 executives and business leaders in Tokyo, with the goal of analyzing the changes that will occur in the world of work in the coming years and discussing how these changes could contribute to restoring growth in Japan.

The meeting was attended by **Tadasuke Yoshioka** (MBA '15), of WiLx, inc.; **Tomoya Iwasaki** (MBA '12), of Zoetis Japan; **Yohei Kawana** (MBA '10), of SMFL Capital; and **Dai Nagashima** (MBA '16), of KPMG Consulting, among others.

EXCLUSIVE ADVANTAGES FOR ALUMNI

New Agreement Between IESE Alumni and CaixaBank

The IESE Alumni Association and CaixaBank have signed a new collaboration agreement that will allow members of the IESE Alumni Association to benefit from exclusive advantages.

Thanks to this agreement, VISA and Amex Platinum IESE Alumni card holders can enjoy unique services such



Jordi Casajoana, director of philanthropy at CaixaBank; **Jordi Nicolau**, regional director of CaixaBank in Barcelona; **Javier Muñoz**, IESE Alumni Association director; **Juan A. Alcaraz**, managing director of business development at CaixaBank; **Jaime Alonso**, IESE secretary general; **Bosco Bofill**, IESE director of foundations and entities; **Victor Allende**, executive director of CaixaBank private banking and premier banking; and **Juan Morlà**, managing director of CaixaBank payments.

as the Priority Pass, which gives them access to more than 600 airport lounges around the world, and Life Experiences, an activity and travel program. Alumni Association members will also

be able to enjoy other exclusive products and services including personalized financing solutions and the advice of specialized managers, in order to make the most of their assets.

CAREER ADVISORS

GAIN A NEW PERSPECTIVE
TO YOUR CAREER DECISIONS

Germany, Austria and Switzerland



Lars Maydell
English and German

20+ years experience with C-Suite members, business owners, senior partners and start-up entrepreneurs. 8+ years in executive search and board consulting with Egon Zehnder International.

Lars is one of the Career Advisors guiding IESE Alumni across the globe.

Find yours at
www.iese.edu/careeradvisors
and request an **in-person**
or **online** session

Alfredo Millá
AMP Munich '14



CEO of Sonneil Homes



"We had an excellent and fruitful session. Lars gave me a lot of recommendations on how to approach the business community for start-up entrepreneurs in Germany. I am very happy with this new service for Members, which I highly recommend."



CROSSROADS

AGENDA

Alumni Learning Program

LONDON, JANUARY 25

Prof. Jan Simon

SAN FRANCISCO, JANUARY 30

Prof. Javier Zamora

NEW YORK, FEBRUARY 22

Prof. Mike Rosenberg



OPEN DAYS

MBA

Barcelona, February 17

New York, February 25

Barcelona, April 21



FOCUSED PROGRAMS

Doing Business Globally:

Leading in a Matrix Organization

New York, February 21-24

Winning Negotiation Strategy

Module 1: online, March 6-20

Module 2: Barcelona, March 21-23

Module 3: online, March 24 - April 7

Develop Your Communication Skills

Barcelona, March 7-9

Building and Leading High-Performance Teams

Barcelona, April 4-6

Becoming a Positive Leader: Accelerating Individual and Organizational Change (in partnership with Michigan Ross)

Barcelona, April 25-28



Alumni Reunion

- MBA, EMBA
- AND GEMBA
- May 20, Barcelona

INDUSTRY MEETINGS

14TH ENERGY INDUSTRY MEETING

Madrid, February 9

3RD IPADE-IESE FOOD & BEVERAGE MEETING

Mexico City, February 16

7TH INSURANCE INDUSTRY MEETING

Madrid, March 16

3RD CHIEF FINANCIAL OFFICERS MEETING

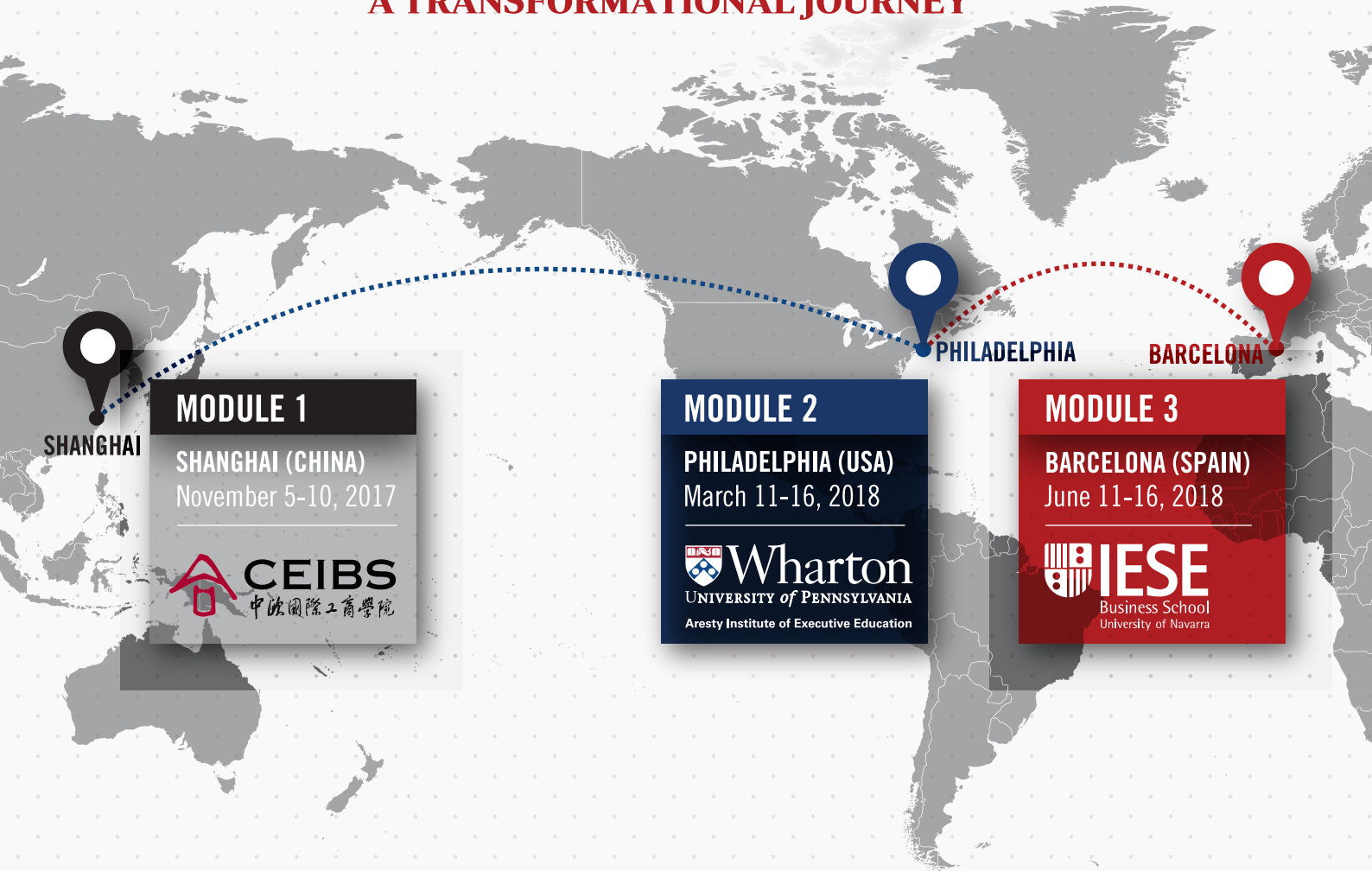
Madrid, April 27



Program dates are subject to change. For the latest information see: www.iese.edu/agenda

GLOBAL CEO PROGRAM

A TRANSFORMATIONAL JOURNEY



SHANGHAI

MODULE 1

SHANGHAI (CHINA)
November 5-10, 2017



MODULE 2

PHILADELPHIA (USA)
March 11-16, 2018



MODULE 3

BARCELONA (SPAIN)
June 11-16, 2018



Get ready to embark on a truly transformational journey: the **Global CEO Program**, a joint initiative between three of the world's most prestigious business schools.

Join CEOs and business leaders from a variety of backgrounds and industries to share perspectives, identify opportunities and challenge current business models in today's fast-changing world.

With modules in **Shanghai, Philadelphia and Barcelona**, you are given the opportunity to expand your professional network, exchange valuable insights on the issues directly affecting your business and gain first-hand experience of disruptive realities in both industrialized and emerging economies. Contact us today.

Kristoff Puelinckx (MBA '96)

“You
can always
do more
with less”

Kristoff Puelinckx is co-founder and partner of telecoms, media and digital (TMD) industry advisory and investment firm Delta Partners and founder and CEO of Tennium. While studying at IESE, he decided to pursue a global career. Since then, he has worked in over 30 countries.

How does a petrochemical engineer from Belgium end up living in Barcelona while developing a globe-spanning career in corporate strategy, mergers and acquisitions, strategic portfolio and financial management? The story starts, says **Kristoff Puelinckx**, at IESE. “It opened the world up for me. I had professional opportunities in Belgium but in the end one feels quite boxed in with a specific profession, region, type of industry or business. IESE allowed me to go and explore, and understand and learn about how business is conducted around the world.”



Puelinckx used his IESE experience as a springboard into consultancy, working first with Ernst & Young in New York and London before becoming a partner at Oliver Wyman (then DiamondCluster) in London, then Dubai.

In 2006 he became co-founder of telecoms, media and digital (TMD) advisory firm Delta Partners, which serves clients across the Middle East, Africa, CIS/Eastern Europe and Asia. Delta currently employs over 250 people in more than 50 countries and operates several private equity and venture capital funds in the telecoms and digital space. In 2016, he launched Tennium, a global tennis platform, with the goal “to become a top three player in the world of tennis” and help drive the development of the sport.

When you founded Delta, what was the biggest challenge that you faced?

It’s a bit of a cliché but ultimately the biggest challenge is always building up a good team. When you set up your own business, you truly realize its importance. Life is easier when you work with good people.

Is recruiting the right people down to having an existing network or have you developed a system?

It’s a combination of having a network but then also being patient and being very strict about whom you bring on board. When you’re growing and want to get things done it’s a very tough decision to say “no” to candidates.



Even when we were still a very small company, we targeted and pursued people globally. We would go and work with global headhunters and go to the top five or six business schools around the world. That was a significant investment financially, but more than that, in time. When you're just starting, that's a huge challenge because you need to get your business off the ground fast. You're competing in the job market against big firms but as a small company you attract more entrepreneurial profiles, which is what you need.

What did you try to bring from your own experiences working with big consultancies and what did you try to do differently?

The pursuit of top quality. An extreme focus on professionalism. The best possible delivery. A relentless effort and work ethic. That's what I took away; that's what I learned. What you then do differently is try to be much more flexible and results-oriented. Because in large organizations you don't always see a direct cause-and-effect relationship between your work and the things that happen with your clients and your company.

You've worked in dozens of countries. What are the most important characteristics and capabilities of managers of international teams?

I think the people who end up being very successful in operating internationally are those who can pick up on small cultural sensitivities.

Everyone around the world now knows about profit and loss, financial incentives, the drivers of different business models and management theories. These things are now universal. What is still different is how people locally look at a problem; how they resolve problems; how they communicate.

Lots of my work around the world involves bringing people from different backgrounds together and quite often doing some translation in the middle. And that's not actual language translation, it's cultural translation. It's helping people understand each other so they can work together. I think that once you're able to achieve that, you become tremendously effective.

At Delta we have over 16 nationalities in a team of 250 people. That's quite remarkable. And that allows for a huge cultural diversity which is very enriching but it's also a challenge because you feel like you're managing the United Nations at times. It becomes self-selecting; people who enjoy that environment end up really thriving. For others, it may be tough and they may end up leaving if they're used to a monocultural comfort zone.

Based on your experiences, what lessons can mature markets learn from emerging markets?

That you can always do more with less. When you go to certain countries in Africa, in Asia, even in parts of Latin America or Eastern Europe, you see that people have less access to financial resources, maybe even less

knowledge, education or teams, and yet people still find ways of building a business, offering a service or developing a new product.

I think that in the more mature markets we are a little bit spoiled. Because even in times of crisis there are teams, there's capital to invest, there are other resources to leverage. If we were asked to work with half, many people would say "this is impossible," just because we know that these resources are available. But you go to other places and they don't even have half, it's five percent. And people do still get things done, because they want to, because they have to. For me, that is a big lesson.

How do you manage the process of innovation within your company?

It's driven by senior management. You have to make sure your core business is well managed and continues to grow. But then you want to maintain an entrepreneurial spirit, where you are always trying to launch new initiatives, new ideas and new concepts that you take to market, and then being disciplined in killing those that do not work, while at the same time really backing those that can develop. That's not necessarily a very structured process, but that is the way we've always managed it, on a case-by-case basis.

Obviously an investment business needs a longer time frame to raise money, to invest money and to get returns than a consulting business. There, you develop a new service offering, vertical or practice area and within six months you get a good sense of if it can go somewhere or not.

Is the role of the consultant changing?

Historically, a consultant used to be an experienced advisor who would share experiences, bring analytical depth to certain problems and recommend solutions or ideas to executives. That's still a relevant part of it, but I think increasingly consultants need to more closely integrate with the client organization and truly team together to make things happen.

You studied for your MBA from 1994 to 1996. How did the experience shape your career after graduation and which aspects of it do you feel still influence you now?

IESE is a window on the world. It brings a global perspective to its business education.

When you spend real time – not a meeting, or an hour, or a workshop, or a conference, but a year and a half – with people of 50 other nationalities, you then truly start to understand that people look at the world and think about the world differently, while at the same time sharing the same interests and human values. And understanding that is a real first step in being able to work with them.

Another valuable aspect for me, especially as an engineer with a very technical education, was developing emotional intelligence about how you interact with people and how you make decisions. That's definitely one of the strengths of IESE, where other MBAs tend to be more technical and less focused on the people side of things.

What advice would you give to a new IESE MBA graduate?

There is one thing that I always tell even my kids: I think people need to do more and calculate less. You see it a lot on a personal level, in professional environments, and when people train for sports: "If I put in this amount of effort I can expect this amount in return." And I think with that approach you will never achieve greatness. You'll achieve, at best, a reasonable result.

But if you truly want to build a company, to grow a company and to be a market leader, you work toward your goals and do what you have to do without calculating the effort.

Don't ask, "Are these two hours extra analysis, or this extra phone call to this client, or this extra email, or these extra two hours spent with the team going to make a difference?" The answer is always going to be no, because any single thing that you do in a day doesn't make a difference. But if you do all these things together, and don't calculate but just do what you have to do because it's the right thing to do and it needs to be done, then things really start to happen. And I've seen that over and over in my career. I've also seen that the people who rise more quickly, who develop successful businesses, who grow their careers faster are those who are not calculating all day. You've got an MBA, you've got the knowledge, now get out and do it.

 **SUCCESSFUL INTERNATIONAL MANAGERS ARE THOSE WHO CAN PICK UP ON SMALL CULTURAL SENSITIVITIES**

WEGROW: MENTORING FOR ENTREPRENEURS

“Sometimes what an entrepreneur considers important isn’t, actually”

Helping to grow start-ups. That is the main objective of the weGrow program. To make that happen, it has a network of renowned mentors who voluntarily offer their advice and expertise.

“When we decided to participate in the program, we were undertaking some changes because we wanted stronger growth strategies,” says **Andreu Fernández** (MBA ’08), founder of Tailor4Less, an online start-up that sells suits, coats and other tailor-made fashion items. His company was among the ten selected for the first edition of weGrow, a mentoring program for IESE alumni.

“With our three mentors, we now have a broader view of the company and greater perspective,” says **Fernández**. “We have also reconsidered ideas that we had ruled out. For example, when analyzing the lines of growth, our mentors suggested we review certain markets that we had scrapped a few years ago.”

During the meetings with their mentors, the entrepreneurs explain the situation they are in and the challenges they face. From there begins an exchange of viewpoints and a process of analysis. “The goal is to quickly come up with a comprehensive vision of what they need to grow. Sometimes what they consider important isn’t, actually. That’s the role of the mentor: find what can truly help them,” says **José G. Martín** (PDG ’89), former CEO and



Mentor José G. Martín (PDG ’89) and entrepreneur Andreu Fernández (MBA ’08).

executive vice president of the company Áreas. With two mentees under his wing, he is one of 16 executives participating in the program.

“Entrepreneurs come to the sessions to really listen and respond to the advice given,” says **Martín**, who seeks to provide answers to problems that many start-ups face. “For example, the rate of cash burn is usually faster than they expected, so they need guidance on how to finance themselves. Another classic question asked is: ‘How can we keep growing?’

It can be through organic growth, mergers, acquisitions, and so on,” he explains.

After more than 45 years of experience, **Martín** says weGrow has given him the opportunity to help as well as keep learning. “When you get to a certain age, you try to help the

younger generations. The program is a great way to support entrepreneurs in a way that is organized and effective. It has also allowed me to get into an exciting area that I was not familiar with: start-ups. With far fewer resources, they are able to do things that were unthinkable a few years ago. For me, this has been a fantastic learning experience.”

The weGrow program just kicked off its second edition, involving alumni who are interested in analyzing their business initiatives

with top-tier experts. “It’s a good experience, where you have the opportunity to discuss your ideas and hear the unbiased opinions of the mentors,” says **Fernández**.

“With our mentors, we have reconsidered ideas that we had ruled out”

MORE INFORMATION:
eic@iese.edu



SEARCH, CLICK AND DISCOVER

In your ongoing quest for knowledge, there's no time to lose. IESE Publishing at WWW.IESEP.COM allows you to expand your understanding of the latest global management trends with a simple click of your mouse.

Our streamlined portal features an exceptional collection of case studies, as well as complementary content to enrich your understanding of critical leadership issues.

Go to WWW.IESEP.COM and discover a world of knowledge at your fingertips.

RICARDO FORCANO, BBVA'S GLOBAL HEAD OF TALENT AND CULTURE

“We have to think about how to change the status quo”

❖ Good leadership has always been important, but during a time of transformation it is a matter of survival,” said **Ricardo Forcano**, global head of talent and culture at BBVA. After a period of technological renovation, the bank finds itself immersed in a cultural transformation. Forcano explained that the BBVA of today is significantly different from that of ten years ago:

“Now we are an organization that is flatter and more liquid.”

Paraphrasing bank president **Francisco González, Forcano** explained, “The status quo was the value in the bank for many years. Now what’s valuable is thinking about how to change the status quo.” The session took place November 4 on IESE’s Barcelona campus.



BBVA's Ricardo Forcano, at a session of the MBA Global Leadership Series.

TONI TOWNES-WHITLEY, CORPORATE VICE PRESIDENT OF THE WORLDWIDE PUBLIC SECTOR FOR MICROSOFT

The cloud “can do good things for good money”



Toni Townes-Whitley spoke about the potential of cloud computing November 16 on IESE's Barcelona campus.

● Using the cloud to empower all individuals and organizations across the globe is part of Microsoft’s new vision.

This was the message of the company’s corporate vice president of the worldwide public sector, **Toni**

Townes-Whitley, to IESE MBAs and alumni at a session of the MBA Global Leadership Series.

Townes-Whitley made reference to the Sustainable Development Goals signed by 193 UN countries in 2015, through which they committed

to eradicating some of the world’s most pressing problems, such as poverty, hunger and underdevelopment, by 2030.

In her opinion, taking advantage of the enormous power of cloud computing will be a decisive factor in reaching these goals, since the cloud can be used for social and economic benefits. It’s not only possible; it’s also profitable. “We can do good things for good money,” she said.

As **Townes-Whitley** explained, Microsoft’s strategy includes empowering workers, involving citizens, optimizing infrastructures and transforming public services. The key is unleashing cloud computing’s analytic potential, which would make it possible to improve health care and citizen-government cooperation, to name just a few benefits.

“Cloud computing is about joining the dots to create context. We need minds that can do that, more than ever,” said **Townes-Whitley**.

MARK HUTCHINSON, PRESIDENT AND CEO OF GE EUROPE

“Customers buy outcomes rather than products”



Mark Hutchinson, on IESE's Madrid campus.

● “GE was founded by Thomas Edison 140 years ago. We are committed to digital technology because we want to last another 140 years,” says **Mark Hutchinson**. The president and CEO of General Electric Europe adds, “We have participated in every industrial revolution, so we are well positioned for the fourth revolution.”

To stay competitive, GE has undergone a major transformation in the past two years, and the company is riding the new wave: the digital industrial revolution. When the company sold GE Capital and bought two-thirds of Alstom, it went from being a finance business to one dedicated to energy, aviation, health, oil

and gas. The next step is the digital world.

The digital revolution is driven ultimately by the changing needs of the customer. “We have to sell differently because customers are now buying differently,” says **Hutchinson**. “They buy outcomes rather than products.”

START-UP MENTALITY

● An intra-entrepreneurial attitude has played a key role in GE's reinvention. “We see ourselves as a start-up within a company,” said **Hutchinson** at a meeting of the Alumni Learning Program held on IESE's Madrid campus on September 28. “We have to teach people that failure is good, because that's how we learn. We encourage teams to try, fail and try again.”

With a presence in 170 countries, GE is defined as “a global company” that has to “be meaningful and local everywhere,” according to its president and CEO in Europe. For example, in Saudi Arabia, GE employs 3,000 women from the area.

IESE PROFESSORS ARE ACKNOWLEDGED FOR THEIR RESEARCH

Promotions, awards and recognition

❖ **Professor Xavier Vives** has been named president-elect of the European Association for Research in Industrial Economics (EARIE), a professional network for academics interested in the field.

❖ **Professor Africa Ariño** has received the Emerald Emerging Markets Case Studies Award for the Best Teaching Case for her case “United Bank for Africa: Consolidating its Africa-to-Africa Internationalization.”

❖ The European Academy of Management and Business Economics (AEDEM) recognized as best paper “EQUASS Assurance Certification: The View of Pioneer Adopters,” co-authored by **Professor Inés Alegre**.

❖ “It is time to restore lost confidence and explore new ways to serve society,” said **Professor José A. Segarra** in his admission speech to the Royal European Academy of Doctors.

YOU'RE IN THE NEWS

ARE YOU IN THE NEWS?
We are interested in all your latest news.
Send your comments to:
AlumniMagazine@iese.edu

www.facebook.com/alumni.IESE 
www.twitter.com/IESEalumni 



MBA '82 and EMBA '99
Two alumni came away winners at the 2016 AEBAN awards. **César Bardají**, for best business angel – with over 30 investments since 2012 – and **Pep Casas**, for the most attractive divestment by selling Olapic, which totaled \$130 million.

AMP '13



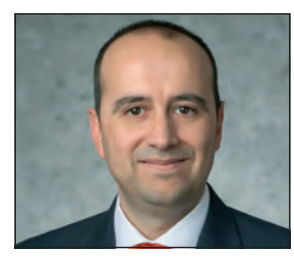
NN Investment Partners named **Gabriella Kindert** manager for its Alternative Credit Boutique platform.

EMBA '99



Unit4 appointed **Pablo Almira** its new professional services sales manager in the Business World On! division.

EMBA-BCN-16-A



Antonio Garrido is the new director of hardware design for Europe and Africa at Lear Corporation.

EMBA-BCN-16-B



Treatwell promoted **Inés Ures** to chief marketing officer.

EMBA-S-07



Daniel Moya was promoted to European regional director of Pilz for Central and Western Europe.

MBA '78



Juan Manuel Santos-Suárez was named acting president of the CNMV (the Spanish Stock Exchange Commission).

MBA '85



Banco Popular appointed **Pedro Larena** its new CEO.

MBA '87



Importaciones y Exportaciones Varma

named **Carlos Peralta** the company's new managing director.

MBA '89

Enrique Fuentes was appointed senior advisor of StepStone Infrastructure & Real Assets (SIRA).

MBA '90



Patricia Suárez was hired as the new director of brand and digital marketing for Yves Rocher Spain.

MBA '94



The Spanish association of laboratories of orphan and ultra-orphan drugs named **Josep Maria Espinalt**, the CEO of Alexion Pharma Spain, its new president.

MBA '95



Aperitivos Medina appointed **José Ramón Muñoz** as its new director of marketing and sales.



MBA '96 and PADE-A-08
Alberto Durán, president of ILUNION, was selected by the Association to Advance Collegiate Schools of Business (AACSB) as one of the influential leaders of 2016.

MBA '98

EVO Banco hired **Carlos Oliveira** to be its executive customer lab director.

MBA '00



Google announced the appointment of **Fuencisla Clemares** as its new managing director for Spain and Portugal.

MBA '03

The board of Miquel y Costas agreed to create a vice president position and appointed **Jordi Mercader** for that role.

MBA '12



Julio Pascual was added to the steering committee of

Altadis (Grupo Imperial Tobacco) and became managing director for the markets of Portugal and Andorra.

MBA '16



Matteo Costa joined the Bertelsmann Entrepreneurs Program as business development associate.

PDD-IV-94



Fujitsu named **Ángeles Delgado** its new president for Latin America, including Brazil and Mexico, a position she will combine with her current role in Iberia (Spain and Portugal).

ARE YOU IN THE NEWS?
 We are interested in all your latest news. Send your comments to: AlumniMagazine@iese.edu

www.facebook.com/alumni.IESE
www.twitter.com/IESEalumni

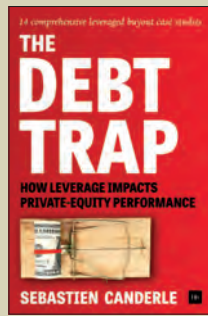
GIVING BACK



Charity Golf Event

Golf and a spirit of solidarity brought together more than 80 alumni in the Valencia region for a charity tournament to raise money for the Xabec project. The La Galiana golf course hosted the event on September 17, the last in a series of joint initiatives in which IESE

alumni have been participating throughout the year. Other institutions such as Banco de Alimentos and the Boscana Foundation were the recipients of the funds raised by the alumni and corporate sponsors in charity golf and paddle tournaments held between May and September in Madrid, Barcelona, Palma and Zaragoza.



MBA '99

In his new book *The Debt Trap: How Leverage Impacts Private-Equity Performance*, **Sebastien Canderle** tells the inside story of closing deals involving private equity. With 14 true stories – all deriving from the credit bubble of the late 2000s, including front-line names such as Caesars, Debenhams, eDreams, EMI, Hertz, Seat Pagine Gialle and TXU – the book shows how, through sudden changes, dividend recaps, reduced costs and dispossession of assets, leveraged buyouts changed, for better or worse, the way private companies are financed and managed today.

PDD-A-15



Jorge Conde was promoted to vice president, multiplatform strategy & business development for the area of Western and Southern Europe, the Middle East and Africa at Viacom International Media Networks.

by the Official College of Telecommunications Engineers and the Spanish Association of Telecommunications Engineers.

PDD-E-07



Coca-Cola named **Miguel Mira** as the company's new general manager for the region of southern Mexico.

PDD-C-01



Cristina Álvarez, CIO and director of services for Telefónica Spain, was named engineer of the year

PDG-C-10



CHEP appointed **David Cuenca** vice president of Southern Europe.

IN MEMORIAM

MBA '88

José Vilá Tortosa, director of Seguros Generales de Catalana Occidente until 2015, when he was appointed CEO of Plus Ultra Seguros, part of the same group, passed away on September 10 at the age of 55.

The prestige of experience

Master's, Master, Mentor, Magister Scientiae (M. Sc.)...
different ways of saying the same thing - and all at the
University of Navarra

The value of innovation



Universidad
de Navarra



PROGRAMAS
MÁSTER

ENTREPRENEURS

EMBA-BCN-2012-B



Daysk is a service that promotes flexibility and mobility in business. It helps professionals find the best places to work at any given moment, whether it be offices or meeting rooms. This application, by **Julien Palier**, is very practical for freelancers, as it allows them to temporarily take over a space to get their

work done. It is also useful for others, such as companies looking to promote flexible people management policies, business networks or consultants: the Daysk platform has more than 150 spaces worldwide. With the application, the user can access spaces in various locations in Spain, and in other European countries, including France and Italy, and in cities as far away as Los Angeles.

www.daysk.com

MBA '02



Gratton is a school that teaches languages and communication skills. It is geared toward training senior executives, including CEOs, business managers, lawyers and sales teams. As such, its main customers are large Spanish companies with a focus on international business. The company, founded by **Sam**

Gratton, offers its students three different programs. The first one, called In Company, takes the professors, who are Spanish professionals with extensive experience in the business world, directly to the customers. The second course, called Academia, takes place in a house in Ciudalcampo, with one weekly class lasting 1-2 hours. Last but not least, the Intensive courses are total immersion: they last a full day, featuring work in small groups. www.gratton.es

EMBA-BR-2015



Since late 2015, there has been an application that helps parents in Sao Paulo find reliable, well-qualified, nannies to care for their children. Click Babá, the platform created by **Taric**

Andrade and his wife, is a network that exhaustively evaluates caregivers. Smartphone users can find the best babysitters, who have passed a rigorous selection process, with specialties ranging from teaching or nursing to caring for children with special needs. The app allows users to request care for kids of all ages: from 6 months to 16 years old.

www.clickbaba.com

PADE-A-11, EMBA-84 and PADE-I-99

Eladio Martínez de Hurtado, Carlos Molina and Joaquín Solana are the creators of the 50pro method, an original development using the case method, the solution to a social problem: reintegrating people over 50 into the working market. The participants, organized into groups of 16-20, are trained in entrepreneurship, while gaining opportunities for personal and professional development and benefitting from everyone else's experiences, skills and contacts acquired over the years. The methodology includes developing a business plan based on the idea that best fits their profile. The plan later serves as a guide for when it comes time to start up the proposed venture, and as a letter of introduction, with the help of 50pro, for getting in front of investor platforms. It also includes advisory services and consulting. www.50pro.es



IF YOU ARE AN ENTREPRENEUR

Don't forget there is a group on LinkedIn

 IESE Entrepreneurs & Venture Capital Hub

MBA '12



Jamonprivé, founded in 2013 by **Andrea González** and her brother, is an online platform for selling Spanish gourmet products. Ham, sausages and wines are its flagship offerings, with over 1,000 different items available. The business, which emerged as a solution to the growing demand for Spanish domestic goods, now sells products in every European Union country and all 50 states of the U.S. It is currently looking to expand into Japan and Canada. To achieve this, the company has a three-pronged strategy: maintain minimal infrastructure, outsource all the work, and use drop-shipping, i.e., carrying no stock of its own. www.jamonprive.com

PDD-4-05



Rocketrent, founded by its CEO **Jordi Colomé**, is a company that deals in industrial cleaning equipment. Its offerings include equipment rental and buying and selling, repair and maintenance by the service department. It specializes in cutting-edge options such as dynamic renting,

which provides for the constant adjustment of the equipment according to the specific needs of each business, and saves customers a substantial amount of time and resources. Its product range includes scrubbers, cleaners, osmosis and pressure washers, and the repair technicians are located throughout Spain.

www.rocketrent.es

PDD-D-11



Pablo Pastor founded Neucom in late 2015 with the goal of creating value for customers by providing services including contract & claim management and risk analysis. It works in construction and energy, both conventional and renewable. Drawing from its extensive experience in project and

contract management at the global level, as well as its large network of contacts, the company's aim is to guide, moderate and provide regular assistance on the risks of each project. To that end, it helps clients identify and properly manage these difficulties and anticipate the opportunities that could bring them closer to their goals.

www.neucomcm.com



PDG-2-15

At the end of a program, it is common for participants to find ways to keep in touch. But the PDG-2-15 class took it a step further by establishing itself as a network of business angels. The decision to create PDG Invest is even more remarkable considering that none of the 40

members had previous experience as angel investors. According to PDG Invest member **Ramón Faus**, the people who make up the network have years of experience at senior levels: "Our competitive advantage is the know-how of the 40 members of the class."



THE LATEST ON
IESE'S ALUMNI
CHAPTERS

CHAPTER NEWS

Lima

AUGUST 11

● Prof. **Miguel Bazán** of PAD Business School presented a group of alumni gathered in Peru with the case “*AJE: Vendiendo refrescos a la base de la pirámide*” (“*AJE: Selling Soft Drinks at the Base of the Pyramid*”), which describes the internationalization process of the AJE Group. The case analyzes the group’s entry into the Asian market, the consumer profile of the region versus its natural market (South America) and outlines the challenges of a family business converted into a multinational group.

Sao Paulo

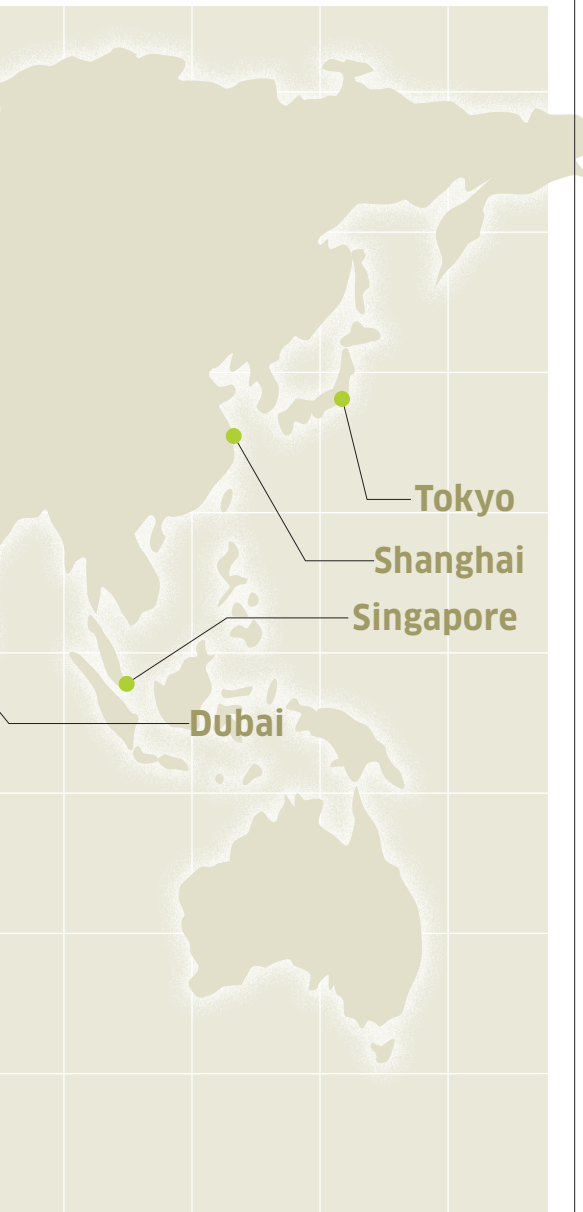
AUGUST 18

● Given the growth of the urban population, it is vital to come up with smart solutions for urban city centers.

At this session, organized by the regional chapter of Brazil and presided over by **Adriano Amaral** (MBA '94), Prof. **Ricardo Engelbert** of ISE and **Claudio Bessa**, director of Partnerships, New Business and Academic Initiatives for IBM in Latin America, the best initiatives for developing cities more intelligently were discussed.

SEPTEMBER 14

● The new generation of professionals, the impact of new technologies and the globalization of the economy are trends that require a new type of employee-employer relations based on the university model. At the session “*Nuevo modelo de gestión de personas en la economía digital*” (“*New People Management Model in the Digital Economy*”), Prof. **José R. Pin** analyzed the concept Enterprise-University as a new strategy for managing people in a globalized world. The idea of career and professional future at these companies is



similar to the relationship between students and the university.

Mexico City

SEPTEMBER 1

- The regional chapter of Mexico, led by **Gérard Schoor** (MBA '91), held the first alumni meeting following the summer break.

OCTOBER 19

- **Javier Muñoz**, director of the Alumni Association, presented the new projects for IESE and the Association to the alumni gathered at the headquarters of A.T. Kearney in the Mexican capital.

NEW PRESIDENT



REGIONAL CHAPTER OF ITALY

- **Valentino Confalone** (MBA '01), head of the European division of Dompé Biotech, is the new president of the regional chapter of Italy. He takes over from **Marco Morgese** (MBA '03), a partner at Consilium SGR, who has been at the helm for the past 12 years. The new president's goal is to strengthen relations between alumni and IESE and

promote new opportunities for learning and sharing experiences. As **Confalone** explains, "I was excited about the idea of creating a network of contacts between business leaders while simultaneously developing a network of friends." He also plans to organize unique events and "enrich the IESE brand and the way high-level executive education is perceived."

Düsseldorf

SEPTEMBER 7

- Prof. **Pedro Videla** offered a global macroeconomic perspective to the alumni gathered in Düsseldorf.

Palo Alto

SEPTEMBER 13

- Why would Apple get into a sector whose returns are paltry compared to what the Cupertino giant is currently doing? Following speculation about Apple Car, Prof. **Marc Sachon** was in California analyzing some of the key points for any company considering such a move into uncharted territory.

Boston

SEPTEMBER 19

- IESE alumni in Boston had the opportunity to attend the workshop "Understanding the Global Business Context: What Is Keeping Your CEO Up at Night and What You Can Do to Help," led by Prof. **Sebastian Reiche** as part of the Learning and Leadership Development Conference 2016, organized by the Human Capital Institute on September 19-21.

Buenos Aires

SEPTEMBER 23

- The headquarters of Seeliger & Conde Argentina was the meeting point of the alumni gathered to participate in the session "*Los ejes globales que afectarán a Argentina*" ("Global Issues That Will Affect Argentina"), organized by the regional chapter of Argentina and Uruguay, which is presided over by **Martín Agramonte** (MBA '99). The presentation was given by journalist **Inés Capdevila**, editorial secretary for the newspaper *La Nación*.

Munich

SEPTEMBER 28

- Prof. **Eric Weber** was the speaker at the alumni breakfast on IESE's Munich campus hosted by the regional chapter of Germany, which is led by **Georg von Boeselager** (AMP '08).

Tokyo

SEPTEMBER 29

- During the Social Innovation Forum Tokyo, organized by the Nippon Foundation, the Alumni Association organized a panel on "The Role of Impact Investing for Accelerating Social Innovation -



1



2



3

1. Event in Mexico with Javier Muñoz.
2. Prof. Mario Capizzani in Basel.
3. Session in Paris.

Evolution of the European Venture Philanthropy Forefront and Japan's Initiatives." The session was introduced by Prof. **Heinrich Liechtenstein**, who defined the concept of impact investing from a European perspective, and featured the participation of **Tomoya Shiraishi**, CEO of Social Investment Partners; and **Reiji Yamanaka**, director of KIBOW Impact Investment.

NOVEMBER 21

The conference "Redesigning a Post-MBA Career" included presentations from **Satoshi Igarashi** (MBA '07), general deputy manager of the Tokyo Business Division at Shinkin Central Bank; **Shota Imako** (MBA '98), senior manager of Project NuGen Division Energy Systems & Solutions Company at Toshiba Corporation; **Daisuke Tanaka**, engagement manager at McKinsey & Co; **Shigeki Uchihashi** (MBA '11), senior manager of Project Promotion Section and Enterprise Performance Management Department at Rakuten; and **Mitsuaki Watanabe**, CEO and founder of AXIOM.



London

SEPTEMBER 13

When change is the only constant, what tools can be used by companies to promote and simplify collaboration and accelerate innovation? **David Mills**, CEO of Ricoh Europe, was in London exploring how the current technology solutions can improve and automate business processes and provide flexibility in the way we work and communicate, offering people the ability to create more impact than ever. The event was held at the Photographers' Gallery, where attendees were able to visit the exhibition "Speed of Light" by photographer Terence Donovan.



London

SEPTEMBER 30

The regional chapter in the United Kingdom, presided over by **Paco Ybarra** (MBA '87), organized the first IESE Alumnae Gathering. For this first edition, it was decided to have a debate on women's leadership and how to stimulate it – one of IESE's priorities. There was an introductory session by **Joanna Moss**, IESE career advisor in the U.K. and cofounder and director of Moss Perform, a company that offers executive and leadership

coaching. Thanks to **Cindy Hongdong** (GEMBA '14) and **Pilar Baltar** (GEMBA '07) for organizing this meeting.

Andorra la Vella

OCTOBER 6

The world is increasingly digital, and the tourism sector of course must also adapt to this reality. The degree of adaptation of new technology and solutions, and particularly the speed at which change occurs, is key for businesses and administrations when it comes to providing better solutions to their



Mexico City

OCTOBER 6

● The second edition of Top Universities Networking Cocktail, organized by IESE in Mexico City, was a resounding success, bringing together more than 200 alumni from IESE, Columbia, Chicago, MIT, Wharton/Penn, Harvard, Stanford and Yale. This is an exclusive event for alumni from leading business schools that fosters networking among attendees through various activities. The sponsors of this edition were Johnnie Walker Green Label, Costers del Prior, Investa, Key Capital, Forza Card, Cinépolis, Huasteca Secreta, PageGroup and Tres Casas. The next edition will take place in March 2017.

consumers. **Miquel Moya** (EMBA '09), industry manager for retail travel at Google Spain, explained during this session how Google perceives this change and what it is doing to adapt. This meeting, organized in collaboration with IESE's Crèdit Andorrà Chair of Markets, Organizations and Humanism, was coordinated by Prof. **Josep M. Rosanas** and moderated by **Agustí García**, area director for the Technical Secretariat General of Crèdit Andorrà.

NOVEMBER 9

● In a new activity organized in conjunction with IESE's Crèdit Andorrà Chair on Markets, Organizations and Humanism, **Guillem López**, Prof. of Economics at the Universitat Pompeu Fabra, presented the paper "*El bienestar desigual: el futuro del gasto social*" ("Unequal Welfare: The Future of

Social Spending"). His main research interests include the measurement of public sector efficiency and reviewing the role of the public sector in general and particularly in the health sector, among others. The session was moderated by Prof. **Josep M. Rosanas**.

Vienna

OCTOBER 7

● Three key trends are transforming the business world: globalization, digitalization and the politicization of corporations. In the session "Rebooting Your Strategic Mindset," Prof. **Bruno Cassiman** examined the skills and mindset that senior managers must develop to create, capture and sustain value in an increasingly complex business environment. The event was organized by the regional chapter of Austria, presided over by **Markus Schwarz** (MBA '96).



Sao Paulo

OCTOBER 27

● Prof. **Pedro Videla** offered an analysis of the global economic situation to alumni gathered at the IESE headquarters in Sao Paulo.

Paris

OCTOBER 13

● The regional chapter of France, led by **Axel Lambert** (MBA '01), welcomed the alumni at the headquarters of the France-Amériques association, where they attended the session "The Transparency Dilemma: Managing Emotions and Engagement in the Transparent Organization," by Prof. **Sebastien Brion**. During the conference, the professor discussed how companies can anticipate and address the changing expectations and demands of radical transparency in organizations today.

Toronto

OCTOBER 20

● Founded in 1975 by **Ray Dalio**, Bridgewater Associates has been tremendously successful and is considered the largest hedge fund in the world. In the session "Exploring Transparency and Feedback at Bridgewater Associates," Prof. **John Almandoz** analyzed how Bridgewater's philosophy of "complete honesty" works.



Amsterdam

NOVEMBER 14

How do winners make decisions? This was the central theme of the meeting organized by the regional chapter of the Netherlands, presided over by **Philip Alberdingk Thijm** (MBA '89). The event featured presentations by **Jacques van der Broek**, CEO and chairman of the Executive Board of Randstad, and Prof. **Stefan Stremersch**. Following the recent publication of his book *How Winners Make Choices* (Boom, 2016), Prof. **Stremersch** cited numerous examples in his examination of how leading companies make decisions. “The difference between winning and losing is often around three key dilemmas: large volume vs. high price, short term vs. long term, and local vs. global,” explained the professor. **Van der Broek** presented the corporate point of view on the path taken by Randstad to become a winning company.

2009, the A&A brand was suffering a significant drop in market share in the diaper sector in Spain and Portugal. This was due to the supply of private label products at lower prices. The case presents a dual proposal by A&A to launch a new, low-cost line of diapers to compete with rivals and regain its position as a leading product.

Porto

OCTOBER 26

José G. Chimeno (PDG '95), president of the regional chapter of Portugal, invited the alumni to a dinner conference organized in the city of Porto. The event was attended by **Daniel Bessa**, former minister of economy, professor and consultant at various companies.

Oslo

NOVEMBER 3

The regional chapter of the Nordic countries, presided over by **Martin N. Knudsen** (MBA '05) and **Erik Boyter** (GEMBA '05), organized the session “Apple Car” in the Norwegian capital. Prof. **Marc Sachon** reviewed some of the key points that companies should consider when trying to penetrate new industries.

Bogotá

NOVEMBER 22

Diego Cardenas (MBA '96), health expert consultant and CEO of Strategic Knowledge Services (SKS), led a session focused on the functioning and challenges of the health system in Colombia. He also discussed trends that will shape the future of this sector both nationally and internationally. The meeting was organized by the regional chapter of Colombia, presided over by **Luis F. Londono** (MBA '03).

Singapore

NOVEMBER 23

A group of IESE alumni met in Singapore, where the director of the Alumni Association, **Javier Muñoz**, shared the most important news of the Association.

Zurich

OCTOBER 21

Bence Andras (AMP '07), president of the regional chapter of Switzerland, invited alumni to a luncheon conference.

Dubai

OCTOBER 24

The Alumni Association invited alumni in Dubai to a session led by Prof. **Ahmad Rahnema**.

Basel

OCTOBER 25

In the session “Fighting the Brand Commodity Trap,” Prof. **Mario Capizzani** looked at the case study “*Dodot: la introducción de una línea de productos básicos en la Península Ibérica*” (“*Dodot: Introducing a Line of Commodities in the Iberian Peninsula*”), published when the brand was part of Arbora & Ausonia (now part of Procter & Gamble). In

Frankfurt

NOVEMBER 24

As academic co-director of the research platform IESE Cities in Motion, Prof. **Pascual Berrone** gave the session “Sustainable cities: where big challenges meet huge opportunities,” which brought innovative approaches to the management of

cities and a new urban model for the 21st century based on four pillars: sustainable ecosystems, innovative activities, equality of citizens and connected territories.

Shanghai

NOVEMBER 28

Alumni from the regional chapter of China, presided over

by **Myra Yu** (MBA '99), came together for a talk by Prof. **Pankaj Ghemawat** based on his new book *The Laws of Globalization* (Cambridge University Press, 2016). The professor analyzed the recent evolution of globalization, highlighting the impact of recent political events and their implications for designing a business strategy.

WELCOME TO THE ALUMNI ASSOCIATION EXECUTIVE EDUCATION GRADUATIONS



AMP-Barcelona-16 Spring • President: Joan Daura • Vice President: Laurent Watteaux



PMD-I-Brasil-16 • President: Jeferson de Lima Cheriegate • Vice President: Fabio Magalhães Carneiro


 The school has managed to bring out the best in us thanks to the preparation, professionalism and commitment of the professors and coordinators”

**Jeferson de Lima
Cheriegate
(PMD-I-Brasil-16)**

SUCCESS IN A VUCA WORLD

Career development is being affected by a changing and complex environment. How to thrive in these new situations? IESE alumni career advisors give some tips.

“**B**ecause of the VUCA environment, you can no longer be static in your career,” said **Joanna Moss**, IESE alumni career advisor, during an event on how volatility, uncertainty, complexity and ambiguity (VUCA) impact career development. “In the past, you might be employed by a company and progress through the organization throughout your professional life. That is no longer the case today. Anyone who thinks like that will get left behind,” she said. **Moss** was joined by **Lars Maydell** and **Iñaki**

Saltor, also members of IESE’s alumni career advising team. The event, moderated by **Javier Muñoz**, director of the Alumni Association, addressed three key career development challenges: international career planning, strategy and changing labor markets.

GLOBAL OPPORTUNITIES

● When it comes to a global career move, if you have the opportunity, “just do it,” said **Moss**. “An international career will change you.” She describes three career stages when international moves are often considered. The first stage is early

PREPARE FOR UNCERTAINTY

Lars Maydell, IESE alumni career advisor and formerly of the executive recruitment firm **Egon Zehnder**, provided alumni with six critical pieces of advice.

1 Focus on extraordinary management skills

In VUCA settings, managers need “extraordinary” management skills, which increasingly include soft skills, said **Maydell**. Many managers stick to traditional management practices, however, because “they prefer the world to be rational” and want to maximize efficiency.

“With extraordinary management, you won’t win all the time. Life becomes quite irrational and you need a skill set for that. All the skills that you need to prepare

for this have to do with communication, influencing, lowering hierarchies and inclusion.”

2 Make Great People Decisions

The best way to foster career success is to have the right people around you. This means choosing the right peers, bosses, spouses, doctors and lawyers. Making sure you have the right people around you is a skill that can be learned and that managers should focus on.

3 Work Effectively With Headhunters

Executive search firms no longer focus on competencies. Due to the influence of Silicon Valley, they now look for indicators of potential. Research at **Egon Zehnder** indicates that five traits help predict executive success: motivation, curiosity, insight, engagement and determination.

MATCHING SKILLS WITH NEEDS

“The war for talent is back, but the rules have changed,” said IESE alumni career advisor **Iñaki Saltor**. In some countries, such as Spain, there is now a disconnect between professional profiles and the needs of companies. Demographic shifts and the expatriation of talent have created additional challenges for firms. **Saltor** advised managers seeking new opportunities to work on attitudinal skills such as creativity, initiative and emotional intelligence; make use of online tools; and take great care of your professional networks.



in a manager’s career, when a two-year “hop” may be easier since the manager is young, and a good way to progress within the company. At the second stage, at mid-career, more consideration is often required when family members are affected. At the third stage, senior level, a move may provide the best opportunities, but should include a clear strategy for moving back. “Sometimes moves are organized by a company, but sometimes they come around completely by accident,” she said. “If you know where you are heading, it’s much easier to spot an opportunity.”



From left to right: **Javier Muñoz**, director of the Alumni Association, with **Lars Maydell**, **Joanna Moss** and **Iñaki Saltor**, members of the IESE alumni career advisors team.

These professionals provide advising on career development to any member of the Alumni Association. Members can enjoy an annual session, which cost is included in the membership fee.

“For engagement, we ask: do you have the brain and the heart to motivate people in a positive way?” he said. “At every level, you can look for these indicators of potential and headhunters more and more do so.”

4 Understand Your Biases

People are much more likely to cling to their current jobs than go for new opportunities, observed **Daniel Kahneman**, 2002 Nobel laureate and expert in behavioral economics, said **Maydell**. To counter this bias, managers should “discount” the quality of their current job or double the attractiveness of the target to get an objective picture.

5 Find Your Career Purpose

Basing career decisions on financial rewards is “one of the worst” traps to fall into, **Maydell** said. Managers

should focus on what kind of work gives life meaning to them.

6 Refine Your Professional Appearance

This begins with writing a meaningful CV that indicates your achievements, as well as your personal values. A CV that includes your core values is helpful for executive search firms and will enable you to better reflect on where you want to go.

In addition to these six steps, **Maydell** advised managers to step back from their careers on a regular basis to gain perspective. “You need to reflect with other people and look at your life as if it were another person,” he said during the October 4 session held at IESE Barcelona campus.

MORE INFORMATION: WWW.IESE.EDU/CAREERADVISORS

Bengt Holmstrom and Contract Theory



JOANE RICART

Professor of Economics and Strategic Management, IESE

In December, MIT professor **Bengt Holmstrom** was awarded the Nobel Prize in Economics, which he shares with Professor **Oliver Hart**, for their work on contract theory. In the words of the committee that recommended them for the prize: “An eternal obstacle to human cooperation is the fact that people have different interests. In modern societies, conflicts of interest are often relieved – if not completely resolved – with contractual agreements. Well-designed contracts offer incentives to the parties that make it possible to reap the potential rewards of collaboration.”

Both from the perspective of the markets and from that of organizations, this contractual issue is tremendously important. Any manager knows the difficulty of aligning interests and efforts in order to meet the organization’s shared objectives. Contract theory shines a light on this problem, and it has had great impact on areas such as business economics and corporate finance.

I am honored to have been the first doctoral student of Professor **Holmstrom**. His work centers on incentives in what we call complete contracts. In particular, the classical contractual problem goes like this: the “principal” charges the “agent” with tasks that are in her interest. However, the principal cannot observe directly how the agent carries out the tasks, and she can only compensate the agent according to the outcome. At the same time, the agent’s actions involve an effort that he alone must make, and the outcome depends not only on his effort but also on unpredictable factors. Therefore, given a specific outcome, we can’t be sure how much is due to the effort expended and how much is due to chance. This pattern is present in many everyday situations. For example, the principal could be the

shareholders, and the agent could be the CEO of a company. Or the principal could also be a patient that puts herself in the hands of a doctor (agent) or a driver that takes his car to a mechanic (agent).

Something else that Professor **Holmstrom** tries to understand is how to align the agent’s incentives most efficiently under a variety of conditions. What do optimal contracts look like in these situations? What is the value of information in their structure? What does their specific form tell us? All of these questions are crucial for understanding how to achieve the level of coordination necessary for the most efficient solution.

Work “on incentives” has sometimes been demonized or criticized for being based on a too narrowly economic view of the person. This criticism reflects a superficial understanding of the true contribution of the models. Instead of offering simple solutions to complex problems, they grapple with complexity in order to improve decision-making.

This is seen most clearly when the theory is applied to specific situations. For example, what should contracts look like when the agent will carry out multiple tasks? What’s the best way to incentivize teams? How can we make an upper manager’s investment decisions compatible with her interest in advancing her career, when these decisions, beyond company outcomes, are themselves signs of her management talent? The lesson of this model is not a precise rule. Rather, it recognizes that such conflicts of interest can be present in many situations and proposes efficient solutions to the problem.

Thanks to the work of **Bengt Holmstrom**, we have a better understanding of the complexity of incentives in organizations. As always, what we do with this knowledge continues to be up to management.

TELEPRESENCE AND VISUAL COLLABORATION SOLUTIONS



TRANSFORM YOUR ORGANIZATION'S COLLABORATION SPACES

Discover how to improve the productivity, creativity and satisfaction of your human teams

+34 93 394 18 30

 **Techno Trends**
Telepresencia y Colaboración Visual

www.ttrends.es

www.salasdetelepresencia.com



- Telepresence
- Unified Communications
- Webconference & streaming
- Turn Key Projects
- HW/SW endpoints and infrastructure
- Cloud based video services
- AV equipment delivery and integration
- Help Desk, technical support and maintenance
- International projects and services
- Training Services
- Managed Services

Since 1994 we're telepresence and visual collaboration specialists

20 Alfa consulting

20th ANNIVERSARY



Twenty years, rain or shine

Since our foundation in 1996 we have been by our clients' side, supporting their strategic projects and helping improve their results.

Twenty years later, we are still with them, rain or shine, designing and implementing solutions that improve their business capability anywhere in the world.

More than 60 offices all over the world
www.alfaconsulting.com