

ADVANCED NEGOTIATIONS WORKSHOP

AREA: HUMAN RESOURCES & ORGANISATIONAL BEHAVIOUR
INTERNATIONAL MBA

COURSE DESCRIPTION

In this course, you will have the opportunity to test and to develop your negotiation abilities. It is a workshop and you will be engaged in negotiation exercises with your classmates; the core of the class will be the analysis of the group negotiation results. You will try to develop criteria about negotiations, to be used in your future personal and professional life. To develop criteria, you will be reading negotiation concepts, practicing them in exercises, and doing a critical analysis of your results. As a conclusion, you will be developing your best practices about negotiations. We will have some emphasis on cross-cultural negotiations.

LEARNING OBJECTIVES

This course is about your developing:

- a) Skills to be an effective negotiator,
- b) constructive and proactive attitudes for conflict resolution and negotiations,
- c) concepts that allow you to understand, predict and identify processes, tools and actions to become a better negotiator than you are now, and
- d) Skills and insight about international negotiations cultures.

LEARNING METHODS

A combination of several methods will be used:

- a) The reading and analysis of key concepts, cases and studies, before class,
- b) Practical negotiation exercises, learning by doing, theory of practice, workshops,
- c) Critical analysis of results and concepts, discussions in class,
- d) Personal reflection and introspection to develop criteria about your best practice for negotiations.

Essentially, this will be an interactive course, in that it will require you to do negotiation exercises with your classmates. Ethical behavior is expected, particularly in the negotiation exercises: respect your negotiating partners' rights to have a real experience, do not spy on your partner to obtain his data, come prepared so you do not waste your partner's time, etc. The concrete results of the negotiation exercises will not be a part of the course's evaluation, but participation points will be

EVALUATION CRITERIA

Class Participation 20% (Assistance to 80 percent of classes is required)

Term paper 40%

Final Exam 40%

This is a workshop and you should be present at least to 80% of the classes. I will evaluate class participation at the end of each class. A positive class participation evaluation considers mainly the quality of your interventions, and your volunteering during class activities. Absences, reading newspapers or using computers during the class (for emails, chatting or unrelated matters) obviously leads to a poor grade in class participation. If you fail a double class, you will lose 5 points (of the 20) of class participation, but if it was for a good reason, you may recuperate up to four points by doing some extra work. The makeup work should be worth five hours (equivalent to 3 hours of class and two of preparation), and most people write a second term paper.

The term paper is about a negotiation culture. The purpose of the paper is to help you better understand your own culture of negotiations, by contrast with other culture. You have three main options to do this assignment.

A) You could interview a foreigner who lives in your country or region, or a foreigner who has extensive experience dealing with people and institutions from your country. He will tell you exactly what experiences he has had dealing in your country, in the culture you grew in. The interview consists of asking the foreigner to reply the sets of questions included in the "Negotiation culture: 53 variables questionnaire" questionnaire (distributed for the first class but only to be delivered at class 13th.). You can use the electronic copy of the questionnaire (in Word) to do it by internet. At the end of the questionnaire, in questions 53, you will write your own personal comments, observations, advice, conclusions, disagreements, analysis or explanations about what the person said. The term paper includes the questionnaire and your essay in a single Word document.

B) A second option for the term paper is your replying the questionnaire about the negotiation culture in your area of experience. It is not about how you personally conduct negotiations, but about how they, people in your country/sector/industry, deal with you (i.e. "When I was in charge of SME customers for Bank WW, the SME negotiated with me in this way"). You will use your own insight and experiences to answer the questionnaire ("Negotiation culture: 53 variables questionnaire"). A culture is learned behavior, and you could write about the way you have experienced it, what you believe is the normal pattern of behavior, attitudes, beliefs and customs shared by most people in your country/sector when they deal with differences and do negotiations. At the end of the questionnaire, you will compare and contrast your experience to other descriptions of your negotiation culture, particularly differences between an internal perspective (your own) and an external view of the culture. Be concrete providing specific examples of your company/institution practices, the customary way negotiations are performed in your industry or environment. The course readings and other papers provided by the professor or found in Google Scholar can be used for analyzing differences between your personal perspective and the one found in the literature. The term paper includes the questionnaire and your essay in a single document.

C) You could write the term paper comparing and contrasting your own negotiation culture with another one, a region where you have lived, and have extensive experience. If you happen to be bicultural, I believe your best option is to make a comparative analysis of the two cultures, using your personal life and work experiences as a base for your analysis. You could mark one culture with a Z and the other culture with an X, in the same questionnaire. You may focus on the culture of your parents from a new world perspective (or the opposite), and reply in such a way to each of the 52 questions. Then you write a short summary and analysis of key comparative points in questions 53. The term paper includes the questionnaire and your essay in a single Word document.

A key part of the term paper is your own analysis at the end of the questionnaire in questions 53; a short essay, try not to go beyond 1200 words in questions 53 (about three pages maximum for the essay). The questionnaire is available in English and Spanish, and the term paper can be reported in any of these languages. You must deliver a print copy as well as a soft copy (by internet) of the questionnaire. The term paper should integrate the questionnaire responses with your short essay in the same document (in Word). The printed term paper is due in class 13.

Do whatever you think is more valuable for you, more interesting and a more rewarding experience.

The final exam will evaluate your incorporation of criteria about negotiations. It will cover all readings,

experiences, exercises, and concepts discussed in class.

All grades will be numerical and the IE curve will be applied. In order to obtain a good grade, worry more about learning than the actual grade, read all materials, participate fully in every class and exercise, and contribute to class discussions with common sense.

Criteria

Class Participation	20 %	
Individual Work	40 %	Term paper
Final Exam	40 %	

BIBLIOGRAPHY

Recommended

- Diamond, Stuart. (2010). *Getting more: how to achieve your goal in the real world*. Crown. ISBN 1397803077 (Electronic)

- Deepak Malhotra, Max Bazerman. (2014). *Negotiation Genius How to Overcome Obstacles and Achieve Brilliant Results at the Bargaining Table*. Bantam. ISBN 9781299124172 (Electronic)

BIO & BIBLIOGRAPHY OF INSTRUCTOR

Enrique Ogliastri

Dr. Ogliastri has been a Professor at IE and INCAE (Costa Rica) since 2000; he holds an undergraduate degree in Industrial Engineering (UIS, Colombia), an MBA (IESE, Spain), a Masters in Social Psychology, and a Ph.D. in Organization Theory (Northwestern University, U.S.A.). He has published 23 books, two (coauthored) were published by Harvard University Press, and his "Manual de Planificación Estratégica" (Manual of Strategic Planning) has undergone 15 reprints in thirteen years. Dr. Ogliastri served for 25 years at the "Universidad de los Andes" in Bogotá, Colombia and for four years at Harvard University. He was a Visiting Professor in France (ESC Toulouse and University of Nancy) and in Japan, where he completed his work "El sistema japonés de negociación. La experiencia de América Latina" ("The Japanese System of Negotiation. The experience of Latin America") McGraw Hill and Ediciones Uniandes, 1992; Tercer Mundo, 1996 (rev.).

He began to work as a negotiation professor back in 1987 after studying this subject at the Massachusetts Institute of Technology (MIT), the Kellogg School of Management at Northwestern University, and the Harvard Negotiation Program. Dr. Ogliastri has specialized in intercultural negotiations. He has conducted negotiation workshops in two dozen countries. The companies where he has held negotiation workshops include Asocaña, BankInter, BanColombia, Bavaria, British Petroleum, Cartón Smurfitt, Chiclet Adams, CIAMSA, Coca Cola, Codensa EEB, Colgate, Colmena, Corfinsura, CRT, DHL, Ecopetrol, Fedepalma, Fundagro, General Motors, Gillete, Icollantas, Microsoft, Ministerio del Ambiente, Myers Squibb Bristol, ITT, Noel, OEI, Oracle, Occidental Petroleum, Peldar, Pfizer, Procomer, Riopaila, Seguros Vanguardia, Shell Hocol, Suramericana, Unilever, Unisys, Verizone, Walter Thompson, Warner Lambert and Western Atlas.

Dr. Ogliastri is the author of three books about intercultural negotiations and he is presently working on a comparison of the culture of negotiation in China, England, France, Germany, India, Italy, Japan, Latin America, the Middle East, Spain and the United States,. He has written a monthly column for the following magazines: Summa (Central America), Portafolio/El Tiempo (Colombia), LEA (Bolivia), Punto de Equilibrio (Perú), Plus (Paraguay) and Debates IESA (Venezuela.)

Additional publications of his on the subject of negotiations include:

- "Una introducción a la negociación internacional. La cultura latinoamericana frente a la angloamericana, japonesa, francesa y del Medio Oriente," (An Introduction to International

Negotiation. Latin American Culture In Contrast to Anglo-American, Japanese, French, and Middle Eastern Cultures, Monografías de Administración, 49, Uniandes, Bogotá, 1997 (rev. 1999.)

- "Negociaciones Interculturales," (Intercultural Negotiations) in Colciencias, Diálogos de Gestión, Corp. Calidad, Bogotá, 1999 (chapter 3.)

- "Guía para la concertación de las tasas retributivas de contaminación hídrica," (Guide for the Settling of Retributive Tax Rates for Hydric Contamination) of the Ministry of the Environment, Bogotá, Colombia, 1997 (Together with Martha Echavarría.)

- "Dos casos colombianos de negociación ambiental," (Two Colombian Cases of Environmental Negotiation) World Resources Institute, Washington, 1998 (bilingual.)

- "El estilo negociador de los latinoamericanos. Un estudio cualitativo," (The Negotiation Style of Latin Americans, A Qualitative Study) Cahier de recherche en Management Internationale, ESC Toulouse, 1998.

- ¿Cómo negocian los colombianos?, Alfaomega/Cambio, 2001 (30.000 copies)

- "Relaciones interculturales. Negociaciones entre Colombia y Holanda", Monografías de Administración, 83, Uniandes, Bogotá, 2005 (coauthored)

- "Negotiations between Latin America and Japan," 212, IDE, Tokyo, 1993 ("Negociar entre 'voisins éloignés': les négociations entre l'Amérique Latine et le Japon." Chapter 7 in La résistance culturelle, Pierre Dupriez (ed.) Brussels, 2000.)

- Ogliastri, Enrique & Gimmy Salcedo, "La cultura negociadora en el Perú. Un estudio exploratorio", Cuadernos de Difusión, 25, Lima: Universidad ESAN, Diciembre 2008 (pp. 9-33)

- Ogliastri, E., "Improvisieren und Gefühle zeigen" Harvard Business Review Manager, Hamburg, January 2010. (German and Latin American negotiations)

- Ogliastri, E. "Negotiations between Germany and Latin America: a cross cultural qualitative study", in Vrontis, C., and Y. Weber, H. Kaufman, S. Tarba, & E. Tsoukatos (editors), Business Research Challenges in a Turbulent Era, Elounda (Greece): EuroMed Press, 2011. ISBN: 978-9963-711-01-7

- Ogliastri, E., Rendón, M., Rivera, M., Fosse, S., "The negotiation culture in France: a qualitative study", Euro Mediterranean Academy of Business Conference, Crete, 2011.

- Ogliastri, E. & Carlos Quintanilla (2012). "Developing a theory of negotiations in Latin America. A study of the integrative and distributive theory of negotiations", XLVII CLADEA Conference, Lima, October 2012.

- Ogliastri, E., The British Advisor: abduction and ransom negotiation, 2018. (in press)

- Ogliastri, Enrique, Carlos Quintanilla (2015) "Building Cross-Cultural Negotiation Prototypes in Latin American Contexts from Foreign Executives' Perceptions" Journal of Business Research, 2015. DOI link: <http://dx.doi.org/10.1016/j.jbusres.2015.06.051>

- Fosse, Sebastien; Enrique Ogliastri & María I. Rendón (2017) "When honor and dignity cultures negotiate: finding common ground", Negotiation and Conflict Management Research, Volume 10, Number 4, Pages 265–285.

- Ogliastri, E., Rendón, M.I., Fosse, S., (2017). Negociación a la francesa: un estudio cualitativo. Cuadernos de Administración, 30(54), p. 91-123 <http://dx.doi.org/10.11144/Javeriana.cao30-54.nfec>. Disponible de acceso libre en: <file:///D:/Documentos/Descargas/18299-83932-1-PB.pdf>
http://revistas.javeriana.edu.co/index.php/cuadernos_admon/article/view/18299/16915

- Ogliastri, E. & M. Davis, "Intercultural negotiations in Mexico City", a case, 2018

- Ogliastri, E. "The Nutraceutical company: family business negotiations in India", a case, 2018.

- Benetti S. and Enrique Ogliastri (2019). Distributive/Integrative Negotiation Strategies in International Contexts: A Comparative Study. Academy of Management Annual Meeting Proceedings 2019(1):17660 DOI: 10.5465/AMBPP.2019.17660abstract

- Ogliastri, E., C. Quintanilla and S. Benetti, "International negotiation strategies: the impact of cultures", Presentation at the congress of the International Association of Conflict Management (IACM), Dublin, 2019.

- Ogliastri, E.; Casó, R.; y Quintanilla, C., "Expats perceptions of integrative/ distributive negotiation strategies: a latent class analysis in Latin America" Accepted for presentation at the Iberoamerican Academy of Management congress, December 2019, Bogotá.

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FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

BUSINESS AT BASE OF PYRAMID & IMPACT INVESTMENT

AREA: MARKETING

INTERNATIONAL MBA

Professor: **MARIA LOPEZ ESCORIAL**

Specialist in launching new companies and products, María López-Escorial achievements include her involvement in the green field launch of ING Direct and its Orange Account in Spain, the consolidation of Fundación Microfinanzas BBVA in Latin America, as well as the launch of World Vision Spain, as General Director of Marketing & Strategy.

Nowadays, Professor López-Escorial focuses her efforts on expanding the concept of “social innovation and business at the bottom of the pyramid” to the highest number of people and companies. “Businesses at the bottom of the pyramid, well executed, are one of the most efficient tools we can think off to help alleviate poverty. The only way to fight poverty is to create richness. Being business investment vs a donation makes it sustainable, scalable and much more efficient.”

Previously, she was in charge of helping to develop the commercial and business strategy for Fundación Microfinanzas BBVA, and its network of 9 microfinance institutions in 7 Latin American countries that serve customers at the bottom of the pyramid. Fundación Microfinanzas BBVA is the biggest effort in the world, to apply first class banking capabilities to financially include the unbanked population.

"Individuals at the bottom of the pyramid are a fascinating, challenging, little understood, set of customers with unique needs, motivations and priorities, that well served, their lives can be significantly improved and at the same time generate economic and social impact", explains María that combines a managerial, and academic profile.

Her strategic marketing knowledge embraces all marketing activities from positioning and brand management, to product launch, market segmentation, communications strategy, media plan and specially customer insight.

"I had an intensive involvement in the strategic positioning and launch of ING direct as a new concept of banking and the orange account as an innovative financial product. The main challenge was to launch a new bank and a new brand....with a new product....with an almost unknown distribution system....with very little physical presence....acquiring customers at a very low cost.", "With the launch of World Vision Spain, one of the largest development NGOs in the world operating in 97 countries, we achieved spectacular growth from 65 sponsors to more than 12,000 in only 3 years, with a completely unknown brand name in Spain, in a market where trust is key".

Professor López-Escorial has an B.A. (hons.) in European Business Administration by Universidad Pontificia de Comillas (E-4) and Middlesex University (London, UK) and a Master in International Affairs/ International Business by The Fletcher School, Tufts University (Boston, USA) with exchange at Amos Tuck School of Business (Dartmouth College).

Professor López-Escorial has developed her professional experience in three continents (Spain, UK, France, USA and Australia) and performed field work in several countries. Among others; Perú, Colombia, Chile, Argentina, Panama, Bolivia, Guatemala, Mali and Ghana.

Elected Top100 women leader in Spain

2018.

Academic Experience

Master in International Business. The Fletcher School (Tufts University) with exchange at Amos Tuck School of Business Administration (Dartmouth College). Boston. USA. School Diploma in Strategic Management and International Consultancy

B.A. (Hons.) in European Business Administration. Universidad Pontificia de Comillas, ICADE-4. Madrid. Spain. Middlesex University. London, UK.

Professional Experience

- Senior strategy consultant specialized in social innovation: Microfinance and Business at the Bottom of the Pyramid.
 - President of the Board. Fundación Compromiso y Transparencia.
 - Business Development. Fundación Microfinanzas BBVA. July 2009- April 2013.
 - Gomicrocredir.org. Founder. January 2008- June 2009. Awarded with the Banespyme Orange price 2009 to one of the most innovative business ideas
 - Strategy and Marketing Director. World Vision Spain. The largest sponsorship NGO in the World. Oct 2004-December 2007. Madrid, Spain.
 - CEO and Founder Tararea y Simplifica. Strategy and Marketing consultancy (Sep 2002-present). Madrid, Spain.
 - Marketing Director. Gran Via Musical. Dec 2000- Sep 2002. Madrid, Spain.
 - Marketing Manager. ING Direct Spain. Oct 1998-Dec 2000. Madrid, Spain.
 - Strategy Consultant. Bain & Company. Sep 1996-1998. Madrid, Spain & Sidney, Australia
 - Merchandiser. Marks & Spencer. 1992-1994. London, UK; Paris, France & Madrid, Spain
- Overseas experience: UK, France, Australia

Teaching Experience

- IE Business School (2002-present). Associate Professor of Marketing.
- Teaching Sales & Marketing Management & Business at the Bottom of the Pyramid and Impact Investment.
- Full-time and Part-time Masters, In-house and On-line programs. Spanish and English.
- Professor at the Inditex Cátedra de Responsabilidad Social at the Coruña University. (2012-present)
 - Professor of Master in Microfinance. Universidad Autónoma de Madrid. (2017-present) Seminars taught:
 - Corporate Governance for Microfinance Institutions. Ghana. November 2012.
 - Client Management for Microfinance Institutions. Ghana. June 2013
 - Corporate Governance & Client management for Financial NGOs. Ghana. April 2014.
- Financieros sin Fronteras & the Ghana Minister of Finance & Planning.

Publications

El País Paneta Futuro: http://elpais.com/autor/maria_lopez_escorial/a/

Compromiso Empresarial. Opinión: <http://www.compromisoempresarial.com/autor/maria-lopez/>

IE Marketing blog: <http://marketing.blogs.ie.edu/archives/tag/maria-lopez-escorial>

OVERVIEW & COURSE OBJECTIVES

Two main trends are pointing out to business at the BOP as the place to invest for corporations looking to expand or initiate its business or for social entrepreneurs looking to help solving social issues.

On one side, developed markets are reaching saturation, and apart from great disruptive technology successes, high revenue growth would come from low-income markets with over 2.5 billion people where the potential is still untapped.

On the other side, a new trend of thought is questioning the traditional way of tackling social problems, giving the way to new social entrepreneurs or multinational companies looking to expand its business into new markets at the bottom of the pyramid while pursuing social impact.

Up to now, the main actors trying to influence social problems such as poverty, lack of sanitation, health care or access to clean water have been governments, multilaterals and NGOs, that, having achieved important results, do not have up to now a long term sustainable model able to eradicate social problems at scale.

New theories such as "Business at the Bottom of the Pyramid (BOP)" proposed by CK. Prahalad, "shared value" by Porter and Kramer or hybrid investment models that try to balance social and financial returns as Acumen Fund or Omiydiar network, are showing that private corporations and private investors have a key role to play in the solution of social problems while having positive economic returns. The Sustainable Development Goals (SDGs) launched by the UN incorporate companies as a main actor for its consecution.

Markets at the bottom of the Pyramid have specific characteristics; new consumers with different needs, priorities and decision-making processes; different ways of operation, and specific challenges that need to be researched and understood before making any investment in order to enhance future economic growth.

Impact investing is an exciting and rapidly growing industry powered by investors who are determined to generate social and environmental impact as well as financial returns. This is taking place all over the world and across all asset classes. Impact investment is key in order to pursue any venture at the BoP.

In this course, we will try to analyze the state of the art in this new market, understand the key factors for success and the investment landscape.

The course has 3 modules,

- How to serve the basic needs of this population such as consumer goods, energy, health, water or financial services
- How to involve the BoP segment as suppliers
- Impact investment: impact investment is a hot issue in this area and capital is flowing to these types of businesses, the questions is, can you provide and attractive financial return at the same time as solving a social problem? What is impact investment and how is the impact investment ecosystem? Where is impact investing heading? These questions would also be contemplate in the course.

This is a basic course and therefore no previous knowledge is required, we will be using the case methodology with cases from all main geographies, Africa, Asia and Latino America.

LEARNING OBJECTIVES

The subject has four main learning objectives:

- Introduce the concept of Business at the BOP as a key business model, both as income generator and as a development strategy.
- Review real success and failure ventures at the BOP understanding their key drivers.
- Understand the key success factors for thriving at the BOP.
- Understand the concept of impact investment and patient capital, key to develop this kind of businesses.

The course is designed to further develop your analytical skills. Ultimately, you should develop improved decision-making skills, including the ability to analyze problems, evaluate alternatives, and make better decisions when trying to evaluate or pursue a business at the bottom of the pyramid.

METHODOLOGY

The course consists of:

Lecture/discussion

Introductory sessions that stress fundamental concepts, players and structure of this market. Lectures are dictated by the professor but an active participation from students is expected. The purpose is to cover all the background material needed to develop a solid opinion that would be complemented in practical situations through the case studies.

Readings are recommended as background information to support theoretically the class and case discussions.

Practical Cases

We will use the case methodology to analyze real situations and extract key learnings. The course uses these meetings to teach concepts through practical discussions. These meetings should be treated as management meetings where we need to analyze a problem and work out a course of action.

The purpose of these sessions is to integrate concepts and methods to frame, analyze, and resolve representative BOP problems.

The role of the professor in these discussions is to help to integrate important issues in the discussion, introduce key concepts, summarize a trend of thought, define incoherent discussions, and evaluate the participation of the students. What is considered and marked as a good participation is explained in the evaluation method section of this document.

It is important to notice that this is not an exact science and therefore there is not a unique solution to the cases.

Each case provides a detailed description of a specific situation faced by a real CEO or manager. Students should prepare each case with an action orientation – what would you do if you were the manager? And, just as important why would you do it? Please show the analysis you have used to come to your recommendation.

Final project

Each group will analyze a BoP venture and give a presentation in the last session of the course. This will allow students to be involved in a real life business situation at the BoP and think through its challenges.

Teams should start working on the final project as soon as possible and not later than session 3 of the course.

PROGRAM

SESSION 1

Conference: Main characteristics & challenges when making business at the BOP. The singularities of the BOP consumer.

Introduction to the course. Program and evaluation system.

Main concepts. Meeting the BoP consumer.

W.P.: IFC & The World Resource Institute: The next four billion.

W.P.: Insight Emerging markets, Emerging models. Market based solutions to the challenges of global poverty.

SESSION 2

Health Services

C.P. Aravind Eye Care System: Providing total eye care to the rural population.

Aravind, the world's largest provider of eye care services, has pioneered many process innovations that have substantially reduced the cost of eye treatment. Aravind has also promoted an internal

culture that encourages responsive serviced by a motivated staff. The company has experimented with multiple options to provide service to the rural Indian consumers at a low cost. The Aravind manager needs to examine the company's options to enhance the acceptance of eye care service by the rural consumers.

Discussion and preparation questions:

- What should be the objectives for Aravind and what implications do these objectives have for rural markets?
- What are the reasons for poor acceptance by the rural consumers?
- Which method would you recommend to improve the acceptance of eye care services among rural consumers?. Evaluate options to improve rural consumer acceptance

P.C.: Aravind Eye Care System: Providing total eye care to the rural population. (W11212-PDF-ENG)

R.A.: Segmenting the Base of the Pyramid. HBR June 2011

M.D.: Aravind Eye Care System (DO1-136-I-M)

SESSION 3

Basic needs: Household goods

P.C.: Unilever in India: Hindustan Lever's Project Shakti. Marketing FMCG to the Rural consumer.

HLL's top management identified rural India as a key source of growth and competitive advantage for the future. In response, the company launched Shakti, an ambitious program aiming to serve the next 500 million customers bellow the top of the pyramid. The challenge calls for a considerable creativity and execution.

- What are the key features of Shakti?
- What are the positive aspects and what are its drawbacks?
- What is the Economic Value created by Shakti? What is the social value? How can Shakti make a contribution to HLL's bottom line?
- What are the critical challenges facing HLL in making Shakti work? Should HLL's managers do?
- What are your recommendations?

P.C.: Unilever in India: Hindustan Lever's Project Shakti--Marketing FMCG to the Rural Consumer (HBS 9-505-056)

R.A.: Socially Responsible Distribution: Strategies for Reaching the Bottom of the Pyramid (CMR393)

Other: The Base of Pyramid distribution challenge-IFMR

SESSION 4

Basic needs: Lighting

P.C.: D.light: Selling Solar to the Poor

Description:

D.light is a California-based for-profit social enterprise, that manufactures and markets solar lamps aimed at the 1.4 billion people who have no access to electricity and the more than one billion who have only limited or sporadic access. The company is selling in more than 40 countries a real life-changing product for the last 10 years, but still market penetration in most markets is less than 1%.

Discussion and preparation questions:

What is the USP for D.light?

What are the main KSF?

What are the key barriers for growth?
What would be your recommendations for improving market share?

P.C.: d.light: Selling Solar to the Poor (IDE-03)

P.C.: Reality Check at the Bottom of the Pyramid (HBR R1206J)

Other: Off-grid solar market trends report 2016

SESSION 5

Financial services & ITC

C.P. M-Pesa and Mobile Money in Kenya

M-Pesa was an unprecedented concept in Kenya with an incredible rate of adoption and a powerful value proposition able to change lives. Thus, in order to grow, M-Pesa needed to aggressively pursue and acquire both customers and agents in this two side market.

Discussion and preparation questions:

- What is the M-Pesa value proposition?
- What are the KSF for M-Pesa?
- What do you think of the other products offered by Safaricom to the BOP?
- Would they be equally successful? What are the factors that would explain its replicability?
- Which other product and services does the mobile technology unleash?

*P.C.: M-Pesa and Mobile Money in Kenya: Pricing for Success (KEL762)
mid (HBR R1106J)*

R.A.: Design thinking for social innovation

SESSION 6

Financial services.

Conference: Financial lives of the poor. Microfinance: The only industry already consolidated at the BOP.

Main learnings from 30 years of operations, main achievements & key challenges.

C.P.: Mibanco: Meeting the Mainstreaming of Microfinance.

Description:

In July 2008, Mibanco, a full-service bank and Peru's first regulated finance institution dedicated solely to microfinance, found itself in an increasingly competitive environment. Mibanco established in 1998, was the first microfinance venture, profitable since its founding, while expanding rapidly to serve C-/D clientele. Mibanco has 82 branches, over 2.000 staff and over 300.000 customers. However while once stood as one of the few institutional providers of financial services to the BOP, today the Peruvian microfinance market is the second more developed in the world. Rafael Llosa, Mibanco's General Manager, must decide how to meet the ambitious market share objectives set by his board when the industry has become an intensely competitive batter field.

Discussion and preparation questions:

- How would you evaluate credits without any track record or collateral from the client?
- Which specific technology has the microfinance industry developed to address this issue?
- To what extent do you think it makes sense for people at the BOP borrow from Mibanco when its interest rates significantly exceeds those prevailing in the Peruvian banking sector?
- What are the main effect of increasing competition for the Peruvian microfinance sector and for Mibanco?
- What are the KSF of Mibanco in the BOP market?
- To what degree do you think Mibanco's past growth rates are sustainable?

P.C.: Mibanco: Meeting the Mainstreaming of Microfinance (HBS 9-309-095)

P.C.: Mibanco: Meeting the Mainstreaming of Microfinance (310701-HTM-ENG)

T.N.: Measuring financial inclusion: The global Findex Database. May 2012.

R.A.: CGAP-Brief A Structured Approach to Understanding the Financial Service Needs of the Poor in Mexico

SESSION 7

P.C. Supercompra: Sourcing from Small Andean Farmers

Grupo Mazaplan, a Mexican giant, entered the Ecuadorian market at the end of 2000 by purchasing controlling interest in Supercompra, a large local retailing company. In 2001, Pedro Zapata, Supercompra CEO was assigned the task of optimizing the company's supply chain. Zapata completely turned around Supercompra's purchasing model discarding the central purchase unit and creating several decentralized company units called "proximity platforms" located in several parts of the country. These units bought directly from small farmers at the BoP. For a variety of reasons, the majority of small farmers' associations that Supercompra have helped set up soon stopped supplying the platform.

Discussion and preparation questions:

- What are the main hurdles when working with the BoP as suppliers?
- What are the main building blocks of the initiative?
- What are the main reasons for farmers' desertion?
- In the light of the above, what are Supercompra options?
- Starbucks, Nestlé, Ikea are other examples of partnering with BoP as suppliers. What are the Key success factors of those partnerships?

P.C.: Supercompra: Sourcing from Small Andean Farmers (SKE-145)

R.A.: Creating Shared Value (R1101C-PDF-SPA)

SESSION 8

P.C: Acumen fund: Measurement in Impact Investing (A).

Description:

The case centers on the evaluation process at Acumen Fund, a philanthropic organization modeled on practices of global venture capital firms. Acumen is part of a growing industry of investor seeking entrepreneurial solutions to global problems of poverty, health care, education, and environment. While Acumen is a nonprofit organization, many of these investments are in for-profit social enterprises from which it seeks financial as well as social returns.

We will evaluate two possible investments of Acumen in Kenya, analyzing the investment process and decisions and impact metrics to evaluate success.

Discussion and preparation questions:

- If you were Brian Trelstad, ¿would you recommend Acumen to invest in Ecotact, in Meridian or both?
- What would you say are the strengths and weaknesses of the Capabilities Assessment Matrix?
- Which is your evaluation of BACO as a measurement method?
- What is Acumen trying to achieve?
- What is its value added?

All groups would need to make their investment choice and debate about it. You have to send rationale to instructor before class discussion.

P.C.: Acumen Fund: Measurement in Impact Investing (A) (HBS 9-310-011)
W.P.: Impact investment. An emerging asset class (J.P. Morgan Global Research)
W.P.: Perspectives on Progress The Impact Investor Survey (J.P. Morgan Global Research)
R.A.: Give Impact Investing Time and Space to Develop (H00PTG)
W.P.: From Blueprint to Scale (Monitor Group)
W.P.: Data driven. A performance analysis for the Impact investment industry (2011 IRIS report)
W.P.: Social Finance Research Insight into the impact investment market (J.P. Morgan)

SESSIONS 9 - 10

Conference: Course Wrap up: Is the BOP really for you?

Preparation questions:

- Building on the various cases discussed, what are the general principles that characterized successful business strategies at the BOP?
- Do these principles vary across different segments, geographic regions, or type of product?
- If so, how?

Group final presentations.

P.C.: Is the Bottom of the Pyramid Really for You? (HBR R1103J)

EVALUATION CRITERIA

For an adequate accomplishment of the objective of the course, the student should have an active participation all along its length. The evaluation system would be ongoing. As you can see, the highest percentage of your grade is given to your participation.

Your final grade in the course will be based on both individual and group work. The evaluation is based on:

Criteria	Percentage	Comments
Individual case write up	10 %	
Case group paper	20 %	
Class Participation	40 %	
Final Group Presentation	30 %	

A. Individual Grade (50%)

Class Participation (40%)

Most sessions follow a case discussion format. Class participation is essential in MBA programs. The assigned cases are intended to give you practice in assembling information to support a decision and provide a vehicle by which to apply the theories, concepts, and analytical devices discussed in class or in the reading material. The discussion format provides an opportunity to argue your position and to learn from others by listening to their comments and criticisms.

Participation should develop as the conversation evolves and it is key to your grade as it would be the highest input to your individual performance. Show case knowledge and understanding in the BoP context is key to get a good grade.

When determining the class participation grade at the end of the class, the following questions will be asked:

- Are the points made relevant to the class discussion? Did the comments add to our understanding of the situation?
- Does the participant go beyond simple repetition of case facts without analysis and

conclusions?

- Is it a new idea or new perspective of the analyzed problem?
- Does it show an understanding of previous ideas putting them in context and interrelating them?
- Does it challenge already established assumptions?
- Do comments show an understanding of theories, concepts, and analytical devices presented in class lectures or reading materials?
- Were the concepts presented in a concise and convincing fashion?
- Does it contribute to the good spirit of the conversation and the group?
- Show active listening of previous participant's interventions?.

Individual case report (10%)

As part of the individual grade, you have to handle on your own a case report from the ones discussed in class other than the one assigned to your group.

The structure would include the main challenge for the company. Your alternative solutions and your recommendation to address that challenge.

The write-up has an upper limit of one pages. Write-ups longer than the specified length will not be read and/or marked in fairness to the rest of the class.

A print out should be submitted to the professor prior to starting the session corresponding discussing the chosen case.

B. Group-case write ups (20%)

Each group will be assigned a case in the first session. Each group must complete a case write-up of the assigned case as well as present their recommendations and action plan to the group for discussion.

The case write up should be sent to the professor prior to the session.

The content of the write-up would not be a summary of the case but an analysis of the situation and a possible solution or alternatives to the problem stated.

The report should have the following structure:

1. Problem Statement. You should provide a brief statement of the key "problem/issue" in the case. Be sure to focus on a "problem/issue" - not a symptom. Typically, this is not more than 2-3 sentences. You should focus on one "problem/issue" - even if the case has more than one. All of your subsequent analysis should be directly related to this "problem/issue."
2. Situation Analysis. Summarize the key factors influencing the defined problem that drives your subsequent recommendation and implementation. Do not list all the facts. Focus on facts that are relevant to the problem statement.
3. Alternatives. Briefly discuss alternative solutions that you considered – but did not choose – in your analysis and explicitly recognize the pros and cons, advantages and disadvantages of each.
4. Recommendation. Describe and critically evaluate your recommendation – you should list pros and cons of your chosen course of action.
5. Implementation Plan. Develop a plan for implementing the alternative you recommend. Do not include all elements but only the most relevant ones. The implementation should be practical. Sometimes it requires making some assumptions – make the necessary assumptions in order to implement your plan and make you state them clearly.

Make sure the case write-up is easy to read. Consider using bullets, headings, etc., to make the case write-up easy to follow.

The write-up has an upper limit of four pages. The presentation must have a maximum of 10 minutes length. Write-ups or presentations longer than the specified length will not be read and/or marked in fairness to the rest of the class.

The questions on the syllabus for each case are there to guide your discussion, not to be answered in the write-up.

C. Final Group Paper (30%)

The complicated environment at the BOP make each case and company unique. To understand the multiple challenges and risks any company has to face, each group would choose a BOP venture, or a venture they would like to launch of their own, and make a presentation to the class as if they would be facing an investor panel for the venture and they need to convince them to invest funds in the venture.

Teams should start working on the final project as soon as possible and not later than session 3 of the course. The selected venture should be communicated to the professor for her to approve it.

The presentation must include the following information:

- Business Strategy description
- Description of the product or service, Unique selling proposition (USP) and main differential attributes
- Market and consumer analysis. Specific needs addressed
- Commercial strategy: pricing, distribution communication.
- Main recommendations for success
- Implementation plan with its specific actions

You would choose among those, the relevant key points concerning the venture you are analyzing.

Structure of the presentation

- Problem statement/ Situation analysis (Description, consumer analysis, USP, needs addressed, commercial strategy)
- Keys for future success
- Recommendations

It will be particularly valued the strategic analysis about the venture as well as the inclusion of the concepts explained during the course, and the strategic recommendations and actions to put them in place.

The presentation would need to have a maximum duration of 10 minutes, after that, the panel would have 5 minutes for questions. Pages not covered during the presentation will not be read nor marked.

The presentation will be handled to the professor, along with a short summary of two pages maximum highlighting main issues and key success factors for the venture prior to the presentation.

BIBLIOGRAPHY

<https://ie.on.worldcat.org/courseReserves/course/id/14962641>

Due to the novelty of this subject, there is no text book that covers the entire topic.

The majority of the readings will be done by the use of articles and studies. The studies will provide students with a thorough and comprehensive view of the topic. Articles provide you with a detailed understanding of specific issues around the topic.

Bibliography:

- P. POLAK & M. WARWICK The Business Solution to Poverty: Designing Products and Services for Three Billion New Customers. Sep 2013
- C.K. PRAHALAD "The Fortune at the bottom of the pyramid. Eradicating poverty through profits." Wharton School Publishing. 2004.
- COLLINS, MORDUCH, RUTHERFORD, RUTHVEN. "Portfolios of the Poor". Princeton University Press. 2009.

- S. MULLAINATHAN & E. SHAFIR Scarcity. The true cost of not having enough. Penguin Books 2013.
- DUFLO & BANERJEE "Poor Economics" Penguin Books. 2011.
- YUNUS, MUHAMAD. "Creating a World Without Poverty: Social Business and the Future of Capitalism". PublicAffairs; Reprint edition (January 6, 2009)
- MICHAEL PORTER & MARK CRAMER: "Creating Shared Value". HBR R1101C
- KOTLER, P. & LEE, N (2009). "Up and Out of Poverty: The Social Marketing Solution". Prentice Hall 2009.
- JEFFREY SACHS: "The End of Poverty: Economic Possibilities for Our Time". Penguin Books; 1ST edition (February 28, 2006)
- JULIA BALANDINA JAQUIER: "Catalyzing Wealth for Change. Guide to impact Investment. 2016

Lecture Notes

The PowerPoint slides for each class will be distributed at the end of each class through the Campus Online.

Additional materials may be distributed (on needed basis) as the course progresses.

Articles about the subject appear also in my publications:

El Pais Paneta Futuro: http://elpais.com/autor/maria_lopez_escorial/a/

Compromiso Empresarial. Opinión: <http://www.compromisoempresarial.com/author/maria-lopez/>

IE Marketing blog: <http://marketing.blogs.ie.edu/archives/tag/maria-lopez-escorial>

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

COUNTRY ECONOMIC ANALYSIS

AREA: ECONOMIC ENVIRONMENT

INTERNATIONAL MBA

Professor: **GONZALO GARLAND HILBCK**

As well as teaching the core courses on Economic Environment, Country Analysis, and Economic Development Theory, and several short courses and conferences in the executive education division, Gonzalo Garland also finds time to carry out the administrative responsibilities required of him in his role as vice president for external relations at IE Business School.

However, teaching is his passion, and has been ever since he gave his first classes at 17 years old. "Teaching is crucial," he says. "I like transmitting knowledge and being able to explain things that at first might seem difficult for people. But when they suddenly understand what you're talking about and see the relevance, it's very gratifying."

In the field of macroeconomics, Prof Garland has conducted research into the economic effects of demographic change and he is also an expert in financial crises. And with his specialist knowledge of the economics of developing countries such as China, India, Brazil and Mexico, Prof. Garland's expertise is much in demand, as students look for business education programs with an increasingly international flavor.

"Everyone wants a more global vision," he says. "And the fact that so many students in the classrooms at IE are from outside Spain makes for fascinating classes because people relate what you are talking about to the situation in their home countries".

Academic Background

PhD Candidate in Economics, University of Pennsylvania, USA

MA in Economics, Stanford University, USA

Degree in Economics, Universidad del Pacífico, Lima, Perú

Academic Experience

Vice President for External Relations, IE University, 2009 to present

Director of External Relations, IE Business School, 2004 to 2009

Professor of Economic Environment, IE Business School, 1994 to present

Professor of Business in Emerging Markets, IE Business School, 1994 to present

Director of International Relations, IE Business School, 2000 to 2004

Associate Dean for Faculty Affairs, IE Business School, 1996 to 2000

Research Assistant to Professors Albert Ando and Lawrence Klein, University of Pennsylvania, Philadelphia, USA, 1991 to 1994

Research Associate, former Executive Director and Member of the Board of Directors, Development Analysis Group, Lima, Peru, 1984 to 1989

Professor of Economics, Universidad del Pacífico, Lima, Perú, 1984 to 1989

Corporate Experience

Consultant, Macroconsult, Lima, Peru, 1989

Member of the Board of Directors, Banco Industrial, Lima, Peru, 1988

Consultant, UNESCO, Caracas, Venezuela, 1987 to 1989

Assistant Manager of Planning, Insurance and Control, Richard O. Custer, Lima, Peru, 1980 to 1982

Professor: **GAYLE ALLARD**

E-mail: gallard@faculty.ie.edu

Professor of Economic Environment

Fellow, Jean Monnet Center on European Studies

President and founder, Wuha Sira Initiative to promote women's education and clean water access in Ethiopia

Member of the Board, Fulbright Commission

Member of Committee of Experts, World Vision International

Member of the Advisory Board, Emzingo

Gayle Allard has been a professor of economics for IE Business School since 2002. She is a native of California, although she has lived and worked in Europe for many years. Her research has centered on labor markets, in particular the position of youth and immigrants in Europe and how labor-market rigidities affect unemployment. More recently, she has moved into development issues, especially those of sub-Saharan Africa. She has most recently explored characteristics of global and Chinese FDI in the region, the determinants and characteristics of national systems of innovation in emerging economies and the special challenges to native workers posed by migration and automation. She leads a group of IE IMBA students on a volunteer and research trip to Ethiopia each summer, where she is working on projects to bring safe water to communities there.

Dr. Allard appears regularly in leading international media as a commentator on today's key economic problems. She teaches a specialization on Coursera, Globalization, Economic Growth and Stability, which consists of three separate courses (Understanding Economic Policymaking, Trade, Immigration and Exchange Rates in a Globalized World and Business Opportunities and Risks in a Globalized Economy) which have had tens of thousands of students. She has authored numerous interactive exercises and games, along with three e-textbooks which include the one used in this course.

Dr. Allard loves teaching and sees her mission as making abstract and sometimes esoteric economic models relevant to what is happening in the real world. "Operating at the level of the ivory tower is just not intuitive," she explains, "and it is natural, especially with classrooms full of business or finance students, to deal with the real world." Since economics attempts to analyze all facets of man's material existence, it is rich with real-world applications and examples, and the diverse environment of an IE classroom shows how the models are relevant everywhere.

Academic Background

PhD in Economics, University of California Davis, USA

MAIA in International Affairs, Johns Hopkins School of Advanced International Studies, USA

MA in Spanish Language and Literature, Monterey Institute of International Studies, USA

BA with honors in Political Science, Willamette University, USA

Academic Experience

Professor of Economic Environment and Country Analysis, IE Business School, September 2002 to present

Vice-Chancellor for Research, IE University, 2008-2010

Head of Economics Department, IE Business School 2006-2008

Economics professor for European MBA ESCP-EAP, European School of Management, 1992 to 2000

Economics professor at Center for International Studies, Spain, 1992 to 1998

Economics and Spanish history professor for University of Maryland, 1985 to 1994

Economics professor, Economics Department Coordinator, Saint Louis University in Madrid, Spain, 1988 to 1991

Corporate Experience

Economist, JP Morgan, Madrid, Spain

Research Economist, The Economist Intelligence Unit

LEARNING OBJECTIVES

In an increasingly interdependent world, countries have been following different economic and political strategies in their search for increased welfare. These different approaches have important

implications for businesses, either when thinking of investing in a foreign country or when attempting to carry out export-import activities. They also display different economic situations and varying policy responses, which are important to analyze and understand when one is deciding whether and how to do business with these countries.

The course will analyze different countries and regions in terms of their political organization and their economic policies and will relate these to business issues. The student will gain a greater understanding of the general environment in these countries and, by extension, of others not directly covered during the course. The ultimate objective is to equip students with a set of tools that will allow them to better analyze in their future professional life the social, economic and political characteristics of different countries, and use this understanding to make adequate business decisions.

METHODOLOGY

The course will include an introductory session followed by nine case-study sessions on the major economies and regions in the world. Discussions will focus on countries' unique economic features, and the nature and elements of country risk.

PROGRAM

SESSION 1

INTRODUCTION

World regions and countries. Historical Perspective and Trends. GDP, GDP at PPP, GNI per capita.

Data provided in class

Professor: Gonzalo Garland

SESSION 2

THE U.S. ECONOMY

Introduction and review of concepts. Forces for growth and development, keys to long-term competitiveness, the sustainability of growth. The current account and the financial crisis.

Professor: Gayle Allard

M.D.: The U.S. Economy (EC1-108-I-M)

SESSION 3

THE JAPANESE ECONOMY

From "Japanese Miracle" and "Bubble Economy" to deflation and stagnation. Abenomics, recovery and the limits of policymaking. What Japan tells us about our futures.

Professor: Gayle Allard

B.C.: Country Economic Analysis (ebook), chapter 3

SESSION 4

THE EUROPEAN ECONOMY

The integration and disintegration of the EU and where its future lies. Spain as a case study of the periphery in the euro; the UK and Brexit.

Professor: Gayle Allard

P.C.: Country Economic Analysis (ebook), chapter 4

SESSION 5

INDIA AND CHINA: WHO IS THE NEXT SUPERPOWER?

Development, strategies for growth and the choices made by India and China. A tale of two current accounts, two currencies, two demographics, and two institutional frameworks, and what they tell us about the future superpower.

Professor: Gayle Allard

B.C.: Country Economic Analysis (ebook), chapter 5

SESSION 6

APPLYING THE CONCEPTS: CHOOSING AMONG UNKNOWN COUNTRIES FOR INVESTMENT

Distilling concepts into a model for country analysis. What is risk and how is it quantified? What is the relative importance of economic, financial, institutional, social and strategic factors, and how might they be quantified to make an investment decision? How might weightings and considerations change with different types of investments?

Professor: Gayle Allard

M.D.: Country Investment Decision (EC2-103-I-M)

SESSION 7

THE BRAZILIAN ECONOMY

From Import Substitution to Trade Liberalization. Fighting against Income inequality.

Professor: Gonzalo Garland

P.C.: Brazil Under Lula: Off the Yellow BRIC Road (707031-PDF-ENG)

SESSION 8

NORWAY AND THE RESOURCE CURSE

How to deal with the Dutch Disease

Professor: Gonzalo Garland

P.C.: Norway: The Embarrassment of Riches (HBS 9-713-061)

SESSION 9

THE RUSSIAN ECONOMY

Transition Economies. From Price Controls to Free Markets. Economic reform coupled with political reform. The building of institutions.

Professor: Gonzalo Garland

P.C.: Russia: The End of a Time of Troubles? (701076-PDF-ENG)

SESSION 10

THE TURKISH ECONOMY

Joining the European Union?

Professor: Gonzalo Garland

EVALUATION CRITERIA

Criteria	Percentage	Comments
Class Participation	20 %	
Country case	40 %	
Final Exam	40 %	

This course uses the case method and is organized around class discussion. Students are expected to be fully prepared to discuss the country-specific and theoretical issues raised in the cases and accompanying readings for a particular session. The better the class discussion – i.e. the more high quality contributions from as diverse a range of students and perspectives as possible – the richer will be the learning experience for everyone. Class participation is thus critically important and makes up 20 percent of the overall grade.

Besides class participation, grades will be based on two deliverables: a group project on a specific case, which contributes 40 percent to the overall grade, and a final take-home exam that represents the remaining 40 percent. In Professor Allard's sessions, quizzes on the country sessions may be substituted for her half of the final exam. More details on both the project, the quizzes and the format for the final case and exam will be provided in class.

FAMILY BUSINESS AND FAMILIES IN BUSINESS

AREA: ENTREPRENEURSHIP INTERNATIONAL MBA

Professor: **CRISTINA CRUZ SERRANO**

Professor Cristina Cruz has dedicated the past fifteen years to help families and their enterprises

succeed from generation to generation. To do so, she works on several dimensions. She leads the Families in business Center at Ie, a networking and research initiative for enterprising families at IE Business School.

As a scholar, she has published several academic articles dealing with strategic decisions in family firms in top leading academic journals and she serves as Associate Editor of Family Business Review, the leading scholarly publication in family firms. She has written several cases on successful enterprising families and collaborated on disseminating their practices through coauthoring white papers and participating in conferences worldwide. The results of her research, which focuses mainly on entrepreneurial management and family business, have been published in leading international academic journals including the Academy of Management Journal, Administrative Science Quarterly, Journal of Business Venturing, and Entrepreneurship Theory and Practice. In recognition of this research work, IE Business School gave her its Research Excellence Award in 2010, a prize that the school presents to its best researchers.

Professor Cruz brings the results of her research to the classroom, where she instils in future generations the need to preserve and pass on entrepreneurship in business families. Her teaching on MBA courses and in Executive Education is always highly rated by students and internationally

recognized as well. In 2014 she was elected in the selective list of The 40 Most Outstanding Business School Professors Under 40 In The World” according to “Poets and Quants”, the most renowned social networks for business schools.

Cristina Cruz has a PHD in Economics from Carlos III University.

INTRODUCTION

Scholars and practitioners have generally focused on assisting families in business in simply passing a business over to the next generation. In doing so, they have overlooked the real imperative behind growth and continuity for families in business. The Family in Business & Family firms course is addressing this gap, positioning at the nexus between entrepreneurship and family business. Cases and live discussion are focused on answering the following question: “How do business families pass on the entrepreneurial mindset and capabilities that enable them to sustain and create new streams of wealth across many generations?”

LEARNING OBJECTIVES

Business Families are characterized by unique challenges. The challenges are primarily the result of issues presented by the interaction of family, management and ownership — particularly where the family wishes to perpetuate its influence and/or control from generation to generation. In an increasingly complex world, the ability of business families to manage these challenges and turn them into a source of value creation is undoubtedly their main source of competitive advantage. However, achieving this is not easy, since it requires, in the first place, a change of MENTALITY (mindset) in the members of the business family, which moves away from the traditional models of family business and prepares the family to adopt the necessary changes for value creation. On the other, it requires the implementation of specific tools (toolset) to make this change happen.

To achieve the right MINDSET and implement the right TOOLSETS, the course philosophy is framed around the three pillars that define the vision of the IE Center for Families in Business: the importance of family values, the strategic potential of family businesses and the promotion of entrepreneurship among the new generations. In turn, this approach is framed by the global vision of IE and its emphasis on the humanities, digital transformation and entrepreneurship as keys for the training of the leaders of tomorrow.

This
course
is

designed for those students who desire to understand the distinct venturing strategies and practices

of family-controlled companies and family wealth management. The course will explore and analyze family business continuity challenges and best management, shareholder decision making; financial and market driven options for long-run competitiveness, organizational structures, and strategic planning from a resource-based perspective; family dynamics and communication issues; and leadership empowerment.

More concretely, course objectives are the following:

- Develop an in-depth understanding of what makes families-in-business unique
- Learn the importance of entrepreneurship for the success of enterprising families
- Understand the interdisciplinary field of family business (accounting, finance, law, family therapy, behavioral science, management, organizational development, governance, etc.)
- Develop the critical analytical thinking skills that help inside managers/executives and outside professional service advisors understand the whole system of families in business
- Gain insight into ownership, business management, and family dynamics issues that impact the performance of family businesses
- Gain insights into family wealth management issues
- Learn how families in business can create wealth across generations

PROGRAM

SESSION 1

INTRODUCTION: Exploring the family and business landscape.

Objectives:

- Getting to know each other
- Why are family business important?
- From family businesses to families in business

Question for class preparation:

How do you define a family business? How important are FB in your country?

How many of the companies in the 750 list are familiar to you? Did you know they were family owned?

How do you define a family in business?

What do you expect to learn from this course?

R.A.: Family Business: To have and to hold (The

Economist) R.A.: The top 750 family firms in the world

R.A.: Why the 21st century will belong to family business (H02RB2-PDF-ENG)

SESSION 2

UNDERSTANDING THE UNIQUENESS OF FAMILIES IN BUSINESS (I)

Objectives:

- Understand the complexities of family, ownership and business evolutions through generations
- Reflect on the particular challenges of first, second and third and on generation family business

EXERCISE:

- Run the simulation "Honey Heritage" (individual work)
- After completing the simulation share your main conclusions in the discussion forum.
- In doing so, reflect on the following questions:
 - How does the three-circle model help to explain the issues the family is facing?
 - Identify the main challenges the family is facing in the three ownership stages: owner-manager, sibling partnership and cousin consortium
 - How these frameworks apply to your FB?

Summarize the key learnings of the forum and ask the discussion forum leader to prepare some bullet points to be shared in the next F2F session

R.A.: How the three-cycle model changed the way we understand family businesses R.A.: Ownership stages

M.D.: Family Business Simulation: Honey Heritage (7130-HTM-ENG)

SESSION 3

UNDERSTANDING THE UNIQUENESS OF FAMILIES IN BUSINESS (II)

Objectives:

- Reflect on the particular nature of families in business goals
- Reflect on the meaning of success for families in business.

- Understand the tradeoffs between financial and non-financial goals for families in business.

Questions for discussion forum preparation:

- In the case of RELIANCE, would you consider it as a "happy end"? Why? Why not?
- How could a visionary like Dhirubhai miss the law of nature?
- In the case of Kong Gumi, would you consider it as a "happy end"? Why? Why not?

Summarize the key learnings of the forum and ask the discussion forum leader to prepare some bullet points to be shared in the next F2F session

P.C.: RELIANCE (A): A Family feud for control of India's biggest private sector conglomerate (GE1-118-A-I)

Video: KONGO GUMI

SESSION 4

CHALLENGES OF FAMILIES IN BUSINESS: MINDSET & TOOLSETS for the creation of transgenerational wealth

Objectives:

- Understand the "essence" of families in business
- Understand the concept of Socioemotional Wealth and its link with company's success
- Appreciate family resources' unique capacities and potential for superior returns

- Identify the challenges of families in businesses: The cohesion challenge The growth challenge The generational transition challenge
- The Family Business RoadMap

Questions for class preparation:

- Watch the professor's video and work on the first part of your "Family in Business RoadMap":
Who is in your family in business? What is the role of each family stakeholder in the family system? How's your shared patrimony? How do you define success as a family in business?
What are your main challenges as a family in business?

Video: Professor's video with instructions about the FAMILY IN BUSINESS ROADMAP (First part)

SESSIONS 5 - 6

UNDERSTANDING THE ESSENCE OF "YOUR" FAMILY IN BUSINESS

- Students presentation: Share with the class the "essence" of your family in business & your main

challenges

INTRODUCTION TO THE COHESION CHALLENGE: MINDSET

Objectives:

- Understand the roles and responsibilities of family owners and their heterogeneity
- Understand the importance of fostering family communication
- Understand the meaning of responsible ownership

Questions for case preparation: SOLVENT

- Who do you blame for this situation?
- Is there anyone acting as a responsible owner? Why? Why not?
- Could this situation been avoided? How?
- Is there a future for this family together?

P.C.: Solvent S.A. (A) (GE1-119-A-I)

T.N.: Responsible ownership

Video: The dream alignment

SESSION 7

THE COHESION CHALLENGE FOR FAMILIES IN BUSINESS: TOOLSETS (I)

Understand the need for family governance in addition to business governance Learn about the different governance mechanisms for families in business Discuss the "ideal composition" of a Board of Directors in a family firm Introduce the role of family councils and Family assemblies

Case Discussion: ROCA CORPORATION

Questions for case preparation:

- Compare the SOLVENT and the ROCA corporation cases? Do you think family shareholders at ROCA are acting as responsible owners? Why?
- Would you consider the influence of the ROCA family on strategic decision making as high?
- Identify the main governance mechanism at ROCA? Compare them with those at your FiB. What do you have in common? What is different?

- Analyze the composition of the Board of Directors at Roca. Do you think is an optimal Composition? What is the ideal Body in a family firm?
- What is the role of the family council at Roca? How is it different from the Board of Directors?
- What challenges is the ROCA family facing? What would you recommend them to overcome these challenges?

P.C.: Roca Corporation (GE1-104-I)

R.A.: Organizing the family-run business. Part two: The intricacies of creating a board for the family-run business.

T.N.: Building family governance

SESSION 8

THE COHESION CHALLENGE FOR FAMILIES IN BUSINESS: TOOLSETS (II)

Objectives:

What does effective family governance means?

What is the role of each governance mechanism?

Understand the difference between governing and managing a family in business

Understand the difference between wealth management and business management

P.C.: Governance Exercise (to be explained by the professor)

SESSION 9

THE COHESION CHALLENGE FOR FAMILIES IN BUSINESS: TOOLSETS (III)

Understand the importance of writing rules for shared ownership

Understand the difference between shareholders agreements and family business protocols

Learn about the content and scope of a family business protocol

The professor will provide instructions & readings to work on this exercise

SESSIONS 10 - 11

INTRODUCTION TO THE GROWTH CHALLENGE FOR FAMILIES IN BUSINESS

Objectives:

- What is unique about the growth challenge for families in business
- The tradeoff between growth-control and liquidity for families in business
- Understand the importance of setting up an effective debt & Dividend policy in a family business

PROFESSOR IGNACIO MAGRO

Video: How can family firms innovate with less

SESSION 12

THE GROWTH CHALLENGE FOR FAMILIES IN BUSINESS: MINDSET

Objectives:

- Introduction to the growth challenge for families in business: Understanding the MINDSET
- The innovation paradox in family firms: How to manage it successfully!

Questions for class preparation:

- Watch the videos and be prepared to discuss in class what are the unique challenges regarding innovation in family firms
- Are family firms more innovative than non-family business?
- What drives innovation in family firms? What factors may inhibit innovation?
- How do Mittlestand firms successfully overcome the innovation paradox?
- Test your innovation potential: <https://familybusiness.org/content/unlocking-the-innovation-potential-of-family-firms-an-assessment>

Video: Family Driven innovation

Video: Unlock the innovation potential of your family in business

Video: How family business can innovate with less

SESSION 13

THE GROWTH CHALLENGE FOR FAMILIES IN BUSINESS: TOOLSETS

Objectives:

- What does professionalization mean in family business contexts?
- Exploring professionalization challenges in the three dimensions: family, business and governance
- The role of non-family executives in family firms

Questions forum discussion preparation:

- How does the family dimension impact LEGO strategic decision-making before and after the turnaround?
- Compare the two CEO's leadership style: Why did Jorgen succeed?
- Identify LEGO's challenges as a family in business
- Identify the main challenges that your family in business are facing.

*P.C.: The turnaround of Lego: continued growth under family management and/or ownership?
(DE1-213-I)*

T.N.: A founder's guide to professionalize the family business

SESSIONS 14 - 15

THE GROWTH CHALLENGE FOR FAMILIES IN BUSINESS: FOSTERING THE ENTREPRENEURIAL DRIVE

Objectives:

- Understand the tradeoff between exploration and exploitation and the concept of organizational ambidexterity
- Family Venturing as an alternative growth model for families in business
- Private Equity & Family offices as strategies for families in business
-

Questions for class discussion (MULLIEZ)

- How did the family face the growth challenge?
- Which are the pros and cons of the growth strategy?
- Do you think this is a sustainable model for the future? Which are the main challenges?
- How does your family foster innovation & entrepreneurship?

STUDENTS PRESENTATIONS _ what is the growth challenge for your family in business and how do you try to overcome it?

R.A.: Fostering entrepreneurship in family firms

P.C.: The Mulliez Family Venture (INS962)

SESSION 16

FACE TO FACE SESSION

THE GENERATIONAL TRANSITION CHALLENGE FOR FAMILIES IN BUSINESS: MINDSETS & TOOLSETS

- Understand the difference between succession and generational transition
- Understand the goals of a generational transition process
- Learn effective tools for ensuring a successful transition
- Learn how to deal with ownership transition

Questions for case preparation (succession at el CORTE INGLES):

- Why is ECI in this situation?
- Would you consider Dimas Gimeno a good leader for ECI?
- What do you think about the succession plan developed by Isidoro Alvarez?
- If you were Dimas Gimeno, what would you do?

SESSION 17

DISCUSSION FORUM

THE CHALLENGE OF GENERATIONAL TRANSITION FOR FAMILIES IN BUSINESS: To join or not to join?

Objectives

- Understand the next generation perspective in a generational transition process
- Reflect on the challenges involved in deciding whether or not to join the FiB
- Reflect on the implications of such decision

Students present in their groups their dilemmas about joining or not the FiB after finishing the IMBA. The rest of the group would play "the consultant" role and will be ready to give him/her advice about whether or not joining .

Instructions for the exercise will be provided by the professor

T.N.: Passing on the crown (The Economist)

T.N.: The Tests of a Prince (HBR R0709F)

SESSION 18

FACE
TO
FACE

SESSIONS

THE REAL CHALLENGE OF FiB: How to transfer wealth while ambition alive

- Debriefing on the discussion forum: How to develop an effective generational transition plan?
- The real meaning of legacy: Why going from Fb to FiB makes sense!
- Students presentations about their generational transition challenge

W.P.: How to transfer wealth while keeping ambition alive

SESSIONS 19 - 20

FINAL PRESENTATIONS

Complete the family in Business RoadMap with your generational transition assessment and action plan

Watch the professor's video with the instructions about how to complete the action plan & instructions for final presentations

EVALUATION CRITERIA

Your accomplishments during the course will be evaluated as follows:

Criteria	Percentage	Comments
Individual assignment	15 %	
Presentation, FiB RoadMap	20 %	
FiB RoadMap Report	35 %	
Class Participation	30 %	

-Class participation: I will evaluate your contribution to the class discussion including face-to-face sessions. You are expected to actively contribute to class discussion based on case preparations. Guiding questions to prepare assigned cases are provided in the syllabus.

-Individual assignment: there are some individual deliverables during the course:

- Simulation Exercise:
- Governance exercise

The Family Business Road Map: Starting on session 5, students will develop during the course a Family Business RoadMap. The purpose of this project is to explore the structure and complexity of a specific family-influenced enterprise (in particular, your own if applicable). The FiB RoapMap is divided in two main parts:

- **The Family in Business Assessment:** Students will use the frameworks learnt during the course to gain new insights into the family-influence phenomena. The project will include measuring your family SEW, evaluating your family entrepreneurial orientation, developing a genogram of your family's history, and identifying the roles played by each family member. The Assessment will conclude with an analyses of the main challenges faced by the FiB.
- **Family Action Plan :** The purpose of this project is to provide your families with an impact-priorization matrix to guide strategic planning for the family in the near future. The project will include exploring actions to be taken by your FiB to overcome the cohesion, growth and

generational transition challenges.

Students will work on their own family in business. Those who are not part of a business family are encouraged to join a classmate and play the consultant role during the project.

Projects can be handed out either in English or in Spanish, but class presentations must be in English.

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose

of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

GEOPOLITICS FOR BUSINESSPEOPLE

AREA: ECONOMIC ENVIRONMENT

INTERNATIONAL MBA

Professor: **MILO JONES**

- PhD in International Relations, University of Kent
- MA with Distinction in International Relations, University of Kent
- MBA, London Business School
- BA, Northwestern University

Dr MILO JONES has been teaching at IE since 2009. He also teaches at CEDEP in France, for the FT IE CLA, and works with a variety of executive education and consulting clients, serves on the board of a private US FMCG company with over \$200 million in annual sales.

In the MBA, in addition to this course, Milo teaches "Intelligence Tools for Businesspeople", "Approaching Complexity: Evidence, Probability, Non-Linearity and the Art of Problem Solving" (with Dr. Rolf Strom-Olsen), in the MBA and Masters in Finance Programs and a Human Intelligence course in the Masters in Cybersecurity program.

Milo's MOOC, "[Intelligence Tools for the Digital Age](#)", is available on Coursera.

In 2013, Stanford University Press published *Constructing Cassandra: Reframing Intelligence Failure at the CIA, 1947-2001*, which is based on Milo's 2009 PhD dissertation. The book focuses on the CIA's analysis of four strategic surprises: the Cuban Missile Crisis, the fall of the Shah of Iran, the collapse of the USSR, and the terrorist attacks of 9/11. You can watch Milo discuss the book with Dr Mark Lowenthal, former Vice Chairman for Evaluation on the CIA's National Intelligence Council, [here](#).

In the past, Milo worked as a Senior Manager for Accenture in London and as a stockbroker at Morgan Stanley Dean Witter in New York. He also served as an officer in the US Marine Corps and is a graduate from the US Army's Airborne School at Ft. Benning.

He is an Associate of the [Fundacja Instytut Bezpieczeństwa i Strategii](#), a Fellow of the [Salzburg Global Seminar](#) and the [Center for the Study of Digital Life](#), a member of the [International Institute for Strategic Studies](#), and a member of the Association of Former Intelligence Officers.

A native of Manhattan, Milo now lives in Warsaw.

LEARNING OBJECTIVES

The learning objectives of this course are:

- For students to understand what the discipline of geopolitics entails, and how it can be applied to illuminate business situations.
- For students to understand some of the major geopolitical drivers and trends, and the constraints on world leaders, the macro-economy and businesses.
- For students to understand how digital technologies are an Aristotelian "Formal Cause" in Geopolitics, and how that puts all institutions created in previous psycho-technical environments under pressure.
- For students to acquire a "tool kit" to respond to sudden geopolitical shocks (which will be arriving their careers in large numbers).

OBJECTIVES

NB: This course involves a lot of reading and a tolerance for general theory; if you do not like both, please do not register for it.

It is easy to finish your MBA with the unconscious assumption that you'll gain a competitive advantage through a careful reading of the "news". You won't. You are also unlikely to succeed by applying stale "strategic" frameworks like the BCG Matrix (which dates back to 1968), Porter's Five Forces (created in 1979), or Value Chain Analysis (introduced in 1985). Anyone who has studied business in the last 30 years uses these. They also probably read the same newspapers you do. This "Business Strategy 101" toolkit is like the white shirts in your closet: always safe, sometimes useful, but providing no comparative advantage.

In my view, the world is entering an age of increasing geopolitical instability and this course is designed to help you 1) to understand why; and 2) to react faster and better than your competitors to shocks. This course argues that most of what appears in "the news" (and much of macroeconomic reporting), is the "weather" of business: transient or cyclical phenomena that strategists can safely ignore. The climate of business – recurring patterns of activity due to deep systemic factors – is geopolitical: it depends on the interaction of factors like geography, climate, culture, demography, and technology. Business strategy worthy of the name tries to harness such deep, systemic forces (or at least does not work against them).

The course has two parts. Part One introduces the central ideas of geopolitics, and provides a perspective for analyzing the geopolitical forces that impact business. Part Two then offers you some practical tools for thinking about geopolitical events and strategic surprises. We will especially explore the implications of digital technologies for geopolitics.

All of our classes are based on my own research: we will use very little "canned" material from other MBA courses.

Because the subject of geopolitics is vast, a bibliography of suggested readings will be provided at the end of this course. I also recommend certain texts in some sessions.

NB: You may be able to get an MBA without reading real books, but you will meet very few seriously smart people in life who do not read a great deal.

METHODOLOGY

As noted above, this course involves a lot of reading and a tolerance for theory: if you do not like both, please don't register for it. In addition to reading and thinking, it consists of lectures, cases and in-class exercises and presentations.

This course complements my course "Intelligence Tools for Business People", and there is about a 10% overlap in material. This overlap is due to the nature of reality, the fact that I teach both, and to the need for coherence for people taking only one of the courses. If you object to that overlap, please

only take one of the courses.

While you will sometimes work in groups in class, it is critical that you understand that the course hinges on your active individual participation. The grading criteria reflect that the quality of your questions and in-class contributions are vital to a good result both in terms of learning and for your grade. **Questions about or inspired by class readings are also most welcome. I reserve the right to "cold-call" students if class discussion is flagging, or if an individual appears to be "hiding"**, (though I have yet to have to do this with any frequency).

The slides from each lecture will be distributed after each class. During class your central job in class is to listen, to think, to participate and to question me, the material and one another.

The readings rarely repeat anything from the lectures – they are there to round out your thinking.

PROGRAM

SESSION 1

Introduction

Lecture description: What is “Geopolitics”? Is it possible to “predict” geopolitical major events? How does geopolitical change relate to business? Are macroeconomic forecasts any different from fortune telling? If so, how?

R.A.: Thinking Straight: Cognitive Bias in the US Debate About China

The title of Kerbel's article is boring; the article itself is interesting, and the concepts that it conveys are vital to undo some of the illusions about prediction, influence and causation that are common in the world of business and finance (and beyond).

SESSION 2

How do “Geopoliticians” think about the world?

Lecture description: This lecture will seek to explain the basic thinking behind geopolitics, and introduce the geopolitical approach to the world.

B.C.: “Overture and Chapter One” The Next 100 Years: A Forecast for the 21st Century

R.A.: The Methodology of Geopolitics: Stratfor Report

SESSION 3

Geopolitics in Operation: How to think about “The News”

Lecture description: In this session, we will explore the difference between thinking like a geopolitical analyst and being an average consumer of international news. It is designed to make you a more sophisticated and discriminating consumer of information of all types.

R.A.: Uncovering What Will Happen for Rising Powers - Geopolitical Futures

T.N.: Dismantling a Story on US Nukes – Geopolitical Futures

T.N.: Thinking About Stock Markets from a Geopolitical Point of View – Geopolitical Futures

T.N.: If We Covered the US Election – Stratfor

T.N.: The Validity of Rumors of War - Stratfor

SESSION 4

Scale, Resources & Routes: The World is Not “Flat”

Lecture description: How do different nation-states and economies compare across basic

dimensions? How are economically important resources distributed around the world? How do resources “get to market”, and why does it matter? What is the future of energy? Is the world running out of resources?

R.A.: Why Distance Matters

T.N.: The Geopolitics of India: A Shifting, Self-Contained World

T.N.: The Geopolitics of Russia: Permanent Struggle

T.N.: The Geopolitics of China: a Great Power Enclosed

T.N.: The Geopolitics of Brazil: An Emergent Power’s Struggle with Geography

T.N.: The Geopolitics of South Africa: Securing Labor, Ports and Mineral Wealth

The Stratfor Monographs are optional reading. **Only "Why Distance Matters" is required reading.**

SESSION 5

Demography: Has the Future Already Arrived?

Lecture description: What is demography? Why might one say, “the future has already arrived”? What difference does demographic change make for business? What are the major demographic trends that will affect business over your careers

R.A.: With Great Demographics Comes Great Power

SESSION 6

Culture & Politics: More instability to come?

Lecture description: Is Populism (however defined!) rising? Is conflict between cultures inevitable? What difference does this make for business, and why are politics important for business? What sorts of political and cultural pressures are governments and societies currently experiencing? More importantly, why is this occurring now?

R.A.: The Calm Before the Storm

R.A.: Strategic Uncertainty, Digital Technology and Formal Cause

"The Calm before the Storm" is Optional. My paper "Strategic Uncertainty, Digital Technology and Formal Cause" is required.

SESSION 7

Technology: a Creeping Wildcard?

Lecture description: What is the special role of technology in geopolitics? What general purpose technologies might have key geopolitical impacts in the future? What difference does this make for business?

Do not leave IE ignorant of CRISPR: take the 16 minutes needed to watch the Genetic Engineering video!

SESSION 8

Technology: a Creeping Wildcard?

Lecture description: What is the special role of technology in geopolitics? What general purpose technologies might have key geopolitical impacts in the future? What difference does this make for business?

M.D.: Genetic Engineering Will Change Everything Forever – CRISPR

Do not leave IE ignorant of CRISPR: take the 16 minutes needed to watch the Genetic Engineering video!

SESSION 9

Corporate Foreign Policy and Risk Management

Lecture description: In this session, we will do a case involving corporate foreign policy and risk management.

R.A.: Why your company needs a foreign policy, Harvard Business Review, September 2016

T.N.: Arla Foods and the Cartoon Crisis (A). (Ivey School of Business, Case 9B08M005)

*P.C.: Arla Foods & the Cartoon Crisis B *Hand out*

*P.C.: Arla Foods & the Cartoon Crisis C *Hand out*

Please read the Arla Case with care and decide which actions you think will be most productive for Arla.

SESSION 10

Reacting to Geopolitical Shocks

Lecture description: This lecture will form a bridge between the background knowledge provided by the first nine sessions, and the scenario exercises of the following two sessions. It will introduce key frameworks and tools that together form a disciplined framework for relating the consequences of surprising geopolitical events to business situations.

R.A.: Risk: Seeing around the Corners

SESSION 11

Coping with Surprise 1 - Natural Disasters

Session description: In this session, we will use the frameworks from session ten to explore the impact of a fictional (but, sadly, possible), surprise natural disaster on the economic life of nations and various firms.

SESSION 12

Coping with Surprise 2 - Terrorism, Wars, and Revolutions

Session description: In this session we will use the frameworks from session ten to explore the impact of a fictional (but, sadly, possible), a surprise “man-made” disaster on the economic life of a nation and various firms.

R.A.: The Impact of the 9/11 Terrorist Attacks on the US Economy

T.N.: The Guns of August

T.N.: How Do Terrorists Measure Success

Please be sure and do these readings: at some point in your career, you will need to understand the effects of such incidents on your business, and these will help you think things through.

SESSION 13

Summary, Discussion and Review

In this session, we will seek to make sense of and to combine the ideas of the twelve previous discussions. We will try to drag the strategy discipline beyond the clichés of market competition and mere economics and accounting towards a fuller recognition of the crucial factors affecting the contemporary business environment.

SESSION 14

Group Presentations

Details of what is expected of your group presentation will be distributed early in the course. Please note, however, that **the presentation of companies and topics that you have already presented in other classes at IE are specifically forbidden**. Recycled presentations bore the %&^%\$ out of your colleagues and they insult me.

SESSION 15

Group Presentations

Details of what is expected of your group presentation will be distributed early in the course. Please note, however, that **the presentation of companies and topics that you have already presented in other classes at IE are specifically forbidden**. Recycled presentations bore the %&^%\$ out of your colleagues and they insult me.

EVALUATION CRITERIA

Criteria	Percentage	Comments
Class Participation	20 %	
Final Take Home Exercise	50 %	
Group Presentation	30 %	

We will discuss the details of these evaluation criteria, the group presentation and final exercise on the first day of class.

Please note: as stated above, Group Presentations that you have already used in other classes at IE are specifically forbidden. **Their use will result in a failing mark for the entire group**. If you are in any doubt, please clear the topic with me first.

The final grades will follow the class distribution curve guidelines of the IE. Feedback will be offered by email following the assignment of the grades, if requested.

BIBLIOGRAPHY

Compulsory

- Milo Jones. I will distribute after the course as a PDF.. Milo Jones. ISBN 1775177517

(Printed)

FAILING GRADE AND REASSESSMENT

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MANAGING BIG DATA

AREA: HUMAN SCIENCES

INTERNATIONAL MBA

Professor: **IGNACIO LARRU MARTÍNEZ**

Ignacio Larru works as a freelance Big Data consultant and is CFO in KFund, a Venture Capital firm focused on investments in the technology startups (SaaS, Marketplace and Big Data). His work involves advising companies on data management strategies and on the use of Big Data analytics and predictive models in the financial services industry. Previously he has worked as Investment banker and entrepreneur founding more than 6 different start-ups from online retailers to complex software on the civil works sector. He started his career as IT consultant in PriceWaterhouseCoopers developing software applications for some of Spain's leading financial institutions.

WHY THIS COURSE?

How did Google searches predict the spread of the H1N1 flu outbreak? How can a retailer predict when one of its customers is pregnant before her family even knows it? How can you predict someone's political affiliation analyzing the songs he plays at home? The key to answering these questions, and many others, is Business Analytics and Big Data. Welcome to the age of data. No matter the industry or role in which you are planning on working, and no matter the type of organization – as a professional, your world will be awash with data. Business Analytics and Big Data refer to the newly-enabled ability of organizations to crunch complex and/or large amounts of information, analyze it instantly, and draw sometimes astonishing insights and innovations from it. Big Data, and the business analytics based on it, promise to change virtually every industry and business function over the next decade.

The most successful managers today are those who know how to drive innovation and performance improvement using data. You need to be able to understand and be comfortable with big data terminology, analytical methods and be able to work and make decisions using quantitative information. This course will help you develop the analytical skills you need now in order to summarize data, find meaning of it, and extract its value to drive decisions and change. In this course, you will be exposed to numerous real-world examples of how Business Analytics and Big Data are reshaping functional areas such as marketing and human resources, and disrupting sectors such as healthcare, financial services, retail and politics.

This is not a hardcore statistics or quantitative course. This is a course for business professionals who are interested in adding Business Analytics and Big Data thinking to their general management or consulting toolbox, or who are interested in working directly or starting a company in the world of Business Analytics and Big Data.

A recent report by McKinsey stated that "By 2018, the United States alone could face a shortage of 140,000 to 190,000 people with deep analytical skills as well as 1.5 million managers and analysts with the know-how to use the analysis of big data to make effective decisions". The Gartner Group estimates there will be 4.4 million big data jobs created by 2015.

This course will give you a solid foundation and jump-start your ability to work effectively in this exciting and fast-growing new world of Business Analytics and Big Data.

METHODOLOGY

This course is organized around presentation of concepts, active discussions, programming assignments and class participation. Class participation is mandatory. Your voice is indispensable. It is important that you come to class prepared in order to enrich class discussions.

LEARNING OBJECTIVES

The objectives of this course are as follows:

Gain knowledge of the context, tools, concepts and process of Big Data and Business Analytics

Gain a managerial understanding of how Big Data and Analytics are transforming business functions throughout organizations

Learn how Big Data and Analytics are disrupting and transforming a range of industries

Develop the ability to design and implement a Big Data projects

PROGRAM

SESSION 1

COURSE INTRODUCTION

In this session, we will comment the course general guidelines (session mechanics, deliverables, groups, etc...) while we review the main concepts of Big Data taking the Pittsburgh Pirates as a case study
Baseball and Big Data

SESSION 2

OVERVIEW OF A BIG DATA PLATFORM: MAKING SENSE OF THE TERMINOLOGY – HADOOP SYSTEM

In this session, we will review the Hadoop system as the core of a Big Data system. We will understand the benefits of scaling horizontally together with a thorough description of HDFS and Map Reduce

SESSION 3

OVERVIEW OF A BIG DATA INITIATIVE

In this session, we will review the backbone of a Big Data initiative and how to manage one

SESSION 4

MACHINE LEARNING – THE BRAIN IN BIG DATA PLATFORMS – CLUSTERING ALGORITHMS

Once we have figured out the architecture that supports our Big Data system we now need to add the logic to achieve insights that enhance our decision-making. In this session we start to review the common machine learning algorithms for clustering

SESSION 5

MACHINE LEARNING – THE BRAIN IN BIG DATA PLATFORMS – CLASSIFICATION

In this session we will review decision trees, the most common classification algorithm and how we can use it to perform predictive analytics

SESSION 6

MACHINE LEARNING: RECOMMENDATION ALGORITHMS

In this session we will review the recommendation algorithms that allows companies like Netflix or Amazon to recommend us films or products we will like

SESSION 7

MACHINE LEARNING: MEASURING PERFORMANCE

What is not measured cannot be managed. In this session we will focus on the metrics framework that allows us to compare different algorithms so we can include a reality check in our Big Data analytic initiatives

SESSION 8

DESIGNING NEW DATA-AWARE PRODUCTS

In this session, we will learn review the new product paradigm derived from the use of the Internet of Things and the different management challenges it presents

SESSION 9

ORGANIZATIONAL IMPACT OF BIG DATA

In this session, we will learn how the adoption of Big Data technologies is forcing companies to develop new roles like Chief Data Officer and how the different organizational structuring of the Big Data & Analytics function affects the outcome derived from these technologies.

We will take as an example a simple A/B testing framework and predictive analytics for both a startup and an existing company

SESSION 10

LESSONS LEARNED

In this session, each group will present its project in front of the class so we can review what we have learned in the course.

EVALUATION CRITERIA

Final evaluation will be based on (1) engagement in the classroom, (2) individual assignments (3) a course assignment to be prepared in groups, with a breakdown of percentage contribution as follows:

Group Presentation 40%
Individual Assignment 40%
Class Participation 20 %

FAILING GRADE AND REASSESSMENT

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PREMIUM, LUXURY AND CREATIVE BUSINESS ENTREPRENEURSHIP

AREA: ENTREPRENEURSHIP

INTERNATIONAL MBA

PROFESSOR: **MARÍA EUGENIA GIRÓN**

COURSE DESCRIPTION

The elective intends to provide a crash course on luxury and creative business venture creation and entrepreneurship. We will touch on personal luxury such as RTW, accessories, jewelry, fragrance and cosmetics, home décor and other categories of luxury such as hospitality, gastronomy or automobile sector to understand the importance of managing creativity as a key success factor.

The program will cover both start-ups and developed businesses, always with an international market approach.

We will review the specificities of creative industries in regards to every business function from product development to marketing, from operations to finance. A section will be dedicated to luxury technology startups including digital marketing, e-commerce, social networks... and its impact on redefining industry rules and barriers of entry. Additionally the new concepts of "traceability" and social entrepreneurship as they apply to the industry will be explored.

Maria Eugenia Girón (www.mariaeugeniagiron.com) is the Executive Director of IE Observatory for Premium and Prestige Business (www.observatoriodelmercadopremium.ie.edu). The goal of the Observatory is to generate and transfer knowledge about the premium and luxury client and about the premium and luxury sector industry worldwide.

The Observatory publishes yearly IE Luxury Barometer and will celebrate in 2016 the sixth edition of "IE Awards to Sustainability in Premium and Luxury sectors"

Maria Eugenia is an entrepreneur with over 15 years experience in luxury good management. She has led and operated successfully concepts and successfully advised numerous luxury companies on strategic development and brand building.

Maria is active member of business angel platform Go Beyond (<https://go-beyond.biz/>). She led the creation of Go Beyond Spanish chapter and is deal leader for premium industry related ventures. She is partner of first investment in Spain 24Fab (www.24fab.com): Maria is also deal leader for Rising Tides, first platform for European women investors.

Maria was chairman of Silvercloud Holdings (www.silvercloudholdings.com) the vehicle of Marwyn Management Partners to invest in premium and luxury business and executive Chairman of Le Chateau (www.lechateau.com), the leading French brand for premium rainwear, first

investment of the fund from 2011 to 2013.

In 1999, Maria E. Girón led the management buy in (MBI) of Carrera y Carrera (www.carreraycarrera.com), the Spanish jewelry brand of reference. At the time it was a dormant family company. Within the span of 6 years she conducted a turnaround of the company that resulted in going from losses to profit in 2005 and from stagnant growth, to compounded sales growth of 20% over the five-year period. Additionally, the brand acquired value as it increased its international awareness and its image was attractive and prestigious. In 2006 she led the sale of Carrera y Carrera to Lladró Group a leading Spanish company in the porcelain industry.

- Her former experience at the luxury goods industry was at Loewe, the leading Spanish company at the time. There in 1992 and 1993, she defined the strategic plan that contributed to strengthen the brand and as a result increased sales and profit. She was part of the team that sold Loewe to LVMH in 1996.
- She started her professional career at First Chicago Bank as a financial analyst. Later, during her time at Harvard Business School, she was involved as consultant with the Guggenheim Museum and Estee Lauder Company.
- She serves at several Boards including those of Pedro García, an international brand of fashion footwear and Suarez, the leading Spanish jewelry retailer. Formerly at Gastón y Daniela, a leading Spanish company in home textiles.
- She is member of the board of “Corporación Financiera Alba”, largest investment listed company in Spain.
- She is member of the international Board of Oceana (www.oceana.org), a leading environmental organization, Member of Advisory Board of Real Fábrica de Tapices.
- Founder of YPO (Young Presidents Organization) Madrid chapter and member of its executive committee. She is Vice President of AED (Spanish Executives Association)
- She is member of the Board of IE University.
- She is Chairman of “Fundación para la Diversidad”, an organization to promote diversity within the corporate world.
- She is member of International Women Forum and of Womens Corporate Directors and founder of Spanish chapters.
- María Eugenia published in 2009 “Secretos de Lujo” or “Inside Luxury” that reviews the luxury goods industry from an executive perspective and explores the industry sustainable future.
- She is an active lecturer, teacher and advisor at various Universities and Business Schools.
- In 2012 she directed and co-authored the first Dictionary of Luxury and Responsibility.
- In 2014 she published with co-author Miguel Angel Gardetti “Sustainable Luxury and Social entrepreneurship: stories of the pioneers” and stories of pioneers II, published in May 2016.
- She received an Engineering degree from ICAI Universidad Pontificia de Comillas and a Business degree from Harvard Business School.
- She was awarded as best women executive of Spain in 2004. Awarded Top 100 Women in 2017 and 2019

LEARNING OBJECTIVES:

Students will learn to analyze what drives profitability, cash and value of fashion and luxury products and service ventures.

Students will be ready to assess their personal potential and whether it is the right timing to become an entrepreneur in fashion or luxury.

OBJECTIVES

Upon the completion of the program, students should have achieved the following:

- Overall knowledge of luxury goods industry including categories of personal luxury (fashion, cosmetics, jewelry and watches) and other luxury products and services (hotels, cars, food, or the wine and spirits industry), size, key markets, key products, brands...
- Understand main drivers for growth and key success factors in the fashion and luxury industry, through the study and analysis of specific examples and cases
- Understand the main difference and drivers for success among various product categories within the fashion and luxury industry
- Understand how technology is providing opportunities for new business as it lowers barriers

- of entry to the industry. Learn about opportunities in the e-fashion and e-luxury arena
- Understand the needs at different stages of growth for the fashion and luxury industry: from being a startup, to being a business, to developing into a company and available sources of capital for growth
- Learn about new consumer trends and consumer behavior
- Learn about specific challenges for luxury executives today. Understanding investors perspective when valuing creative industries

METHODOLOGY

The course will have three stages.

First having an overview of the industry. Also understanding key success factors for the fashion industry and the luxury goods industry both strategic and tactical. Including but not limited to: branding, price setting, product development, distribution, communication, operations, finance, HR management, organization.

Second, we will understand main drivers of growth for the industry and opportunities for entrepreneurship: technology and consumer new values will be studied, including latest research.

Third, learning first hand from the experience of luxury and premium entrepreneurs. Being exposed to presentation by international entrepreneurs that have initiated ventures within the industry.

Additionally students will have the opportunity to share a personal project in this field with the professor and to receive a coaching session.

The program will be taught in a week, two sessions per day.

PROGRAM OUTLINE

SESSION	Content
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DAY 1

- **Session 1**, Industry overview. What is luxury industry? Industry size and growth. Luxury and Premium, what is the difference? Opportunity for entrepreneurship. Brand positioning. The elements of the marketing plan: product, price, communication, distribution...

- ***Preparatory readings:***

- *Reading I: Inside Luxury, Introduction*
- *Reading II: Meta-Luxury, Chapter1, chapter 2.*
- *Reading III: Trading up: Chapter 1 and chapter 12*

Session 2

Clients segmentation: who buys luxury? Who will buy in the future? Fixing the price of a luxury product.

Case solving: fixing the price of CyC new collection

Preparatory reading:

Reading I: The Strategy and Tactics of pricing: Chapter 7 and 8

Review assignments:

"Oscar de la Renta, ODLR" Succession planning at a Luxury brand (Tuesday)

"We are Knitters" Creating an on line premium community". Founder Pepita and Alberto (Friday)

"Aristocracy" Launching a new brand within a family group. From brick and mortar to digital.

CEO Borja Zamácola (Thursday) TBC
"UNICSKIN" The challenge of building a cosmetics brand. Monica Sada Founder
(Wednesday)

DAY 2

Session 3 and 4

- The meaning of entrepreneurship.

Relevance of entrepreneurship to luxury and premium.

- Grasping and opportunity in luxury. Examples of successful entrepreneurs (Tamara Mellon and Nicolas Hayeck). Building a brand. What Swatch and Jimmy Choo have in common
- Oscar de la Renta case.

Preparatory work:

ODLR case

Preparatory readings:

Reading I: The Towering world of Jimmy Choo. Chapter 8

Reading II: Inside Luxury. Chapter 1, 7

Reading III: Luxury Online. Chapter 1, 2, 8, 9

DAY 3:

Session 5 and 6

- Luxury surrenders to the internet. Consumer behavior. New opportunities.
Reviewing success stories from Net a Porter to Chicismo

"UNICSKIN" case. Building a cosmetics brand

Group presentations 1

Guest; founder Monica

Sada **DAY 4:**

Session 7 and 8

-Sustainable luxury: an oxymoron or an opportunity?

Preparatory readings:

Reading I: The travels of a T-shirt in the Global Economy

Chapter 6 Reading II: sustainable luxury: stories of the pioneers, intro

"Aristocracy" Launching a new brand within a family group. From brick and mortar to digital.

Group presentations 2

CEO Borja Zamácola

DAY 5:

Session 9 and 10

What investors really want when they analyze luxury. Value creation: key factors
Key resources: financial and people
Raising capital for luxury ventures

Group presentations 3

"WE ARE KNITTERS" The challenge of building a luxury hotel brand

Guest: Founders, Alberto & Pepita

CLASS REQUIREMENTS AND EVALUATION

Requirements that comprise the final grade includes:

- Three Group cases including presentation in class 50%
- Class participation 30%
- Written work... 20%
- Class participation:
Students will be required to prepare readings for class topic
Innovative insights, thoughtful questions, example sharing will be valued.
Quality participation being a more valuable contribution than quantity. Preparation is a requirement

BIBLIOGRAPHY:

- BENDELL, J – KLEANTOUS, A.: Deeper Luxury. Quality and style when the world matters. , WWF, 2009
- BENDELL, J- terms of Endearment, Greenleaf publishing, 2000
- CHADHA, R. – HUSBAND, P.: The cult of the Luxury Brand, Inside Asis's Love Affair with Luxury. London, Nicholas Brealey International, 2007. (Primera Edición 2006).
- CHEVALIER, M. – MAZZALOVO, G.: Luxury Brand Management, A World of Privilege. Singapore, John Wiley & Sons, 2008.
- CLINE, Elizabeth. Overdressed, Penguin Group 2013
- CAMPUZANO GARCÍA, S.: El Universo del Lujo. Una visión global y estratégica para profesionales y amantes del Lujo, Madrid, McGraw. Hill, 2003.
- D'ARPIZIO, C.: Altagamma 2008 - Worldwide markets monitor. Altagamma, Milán, 2008.

- DÍAZ SOLOAGA, P.: El valor de la Comunicación. Cómo Gestionar Marcas de Moda, Madrid, CIE Inversiones Editoriales Dossat 2000, 2007.
- FREELAND Chrystia, Plutocrats. The rise of the new global super rich and the fall of everyone else. Penguin books
- GIAMMARRESI, G.: La moda e L'architettura. Milán, Electa, 2008.
- MARIA EUGENIA GIRON.: Secretos de lujo. LID editorial, Madrid, 2009. "Inside Luxury"
- MARIA EUGENIA GIRON: Dictionary of Luxury and responsibility. Madrid 2012.
- MARIA EUGENIA GIRON AND MIGUEL ANGEL GARDETTI: sustainable luxury: stories from the pioneers
- MARIA EUGENIA GIRON AND MIGUEL ANGEL GARDETTI: sustainable luxury: stories from the pioneers II
- GOLDSTEIN, Lauren and Macerira, Sagra. "The towering world of Jimmy Choo". Bloomsbury 2009
- Havas Media, Sustainable Futures 09. HAVA MEDIA, 2009
- HOFFMANN Jonas, COSTE MANIERE Ivan. Global Luxury Trends. Innovative Strategies for Emerging Markets. Palgrave MacMillan 2013
- J.N. KAPFERER AND V- BASTIEN. : The luxury strategy. Break the rules of marketing to build luxury brands. Logan Page Limited U.K. 2009
- MONTGOMERY, Cynthia. The Strategist. Be the leader your business needs. Harvard Business School. 2012
- OKONKWO, U.: Luxury Fashion Branding, Trends, Tactics, Techniques. New York, Palgrave Macmillan, 2007.
- -OKONKWO, U.: Luxury Online. Styles, Systems, Strategies. New York. Palgrave Macmillan, 2009.
- O'SHEA, Covadonga. The man from Zara. Lid Editorial. UK
- RICCA, Manfredi and ROBINS, Rebecca. Meta-Luxury. Palgrave MacMillan, 2012
- RIVOLI, Pietra. The travels of a Tshirt in the Global Economy. Wiley 2009
- SICARD, M-C.: Luxe, mensonges & marketing. Mais que font les marque de luxe? Paris, Pearson Education France, 2003).
- SILVERSTEIN, Michael and FISKE, Neil. Trading up. Penguin Group
- THOMAS, D.: Original: Deluxe – How Luxury Lost its Luster, New York, Penguin Press, 2007)
- -TUNGATE M.: Luxury World. The past, present and future of luxury brands. London, Kogan page, 2009
- XIAO LU, P.: "Elite China – Luxury Consumer Behavior in Chine". Singapore, John Wiley & Sons, 2008.
- -XIAO LU, P.: "Luxury China – market opportunities and potential". Singapore, John Wiley & Sons, 2007.

SERVICES MARKETING & CUSTOMER STRATEGY

AREA: MARKETING

INTERNATIONAL MBA

Professor: **TERESA RECIO NARANJO**

With a combined 20-year multicultural track record as a marketer, Teresa Recio has a hands-on,

practitioners'-based understanding of marketing management. Currently, aside from being a professor at IE Business School, Professor Recio is a Senior Consultant at Galleon Blue, a leading firm in brand consultancy. She is also a visiting professor at other European academic institutions. During her career, Professor Recio has served as a marketer, executive advisor, coach or educator at a variety of firms, including Procter & Gamble, Kellogg, Google, Estée Lauder, Orange and Repsol.

Professor Recio holds a Ph.D. in Business and Marketing and an MBA from IESE Business School. Her main areas of research focus on assessing the profitability of marketing activities and their role in value creation for the firm. Her research has been published in different publications, including the Journal of Advertising Research, and she is a frequent speaker in meetings and seminars.

Professional Experience

Senior Consultant at Galleon Blue

Associate Consultant at Conento.

Member of the Expert Advisory Network at Frontier Strategy Group.

Senior Consultant and Executive Coach at Seeliger y Conde, part of the Amrop Group.

Independent Advisor in Marketing.

Marketing Manager at Kellogg Iberia. Brand

Manager at Procter & Gamble Spain.

Educational Background

PhD in Business, Universidad Complutense, Madrid (Spain).

MBA, IESE, Universidad de Navarra, Barcelona (Spain).

Fuqua School of Business, Duke University, Durham NC (USA).

Business Management Degree, Universidad San Pablo (CEU), Madrid

Law Degree, Universidad Complutense, Madrid

Teaching Experience

Adjunct Professor of Marketing, at IE Business School, since 2003.

Visiting Professor of Marketing at Porto Business School (Portugal).

Visiting Professor of Marketing at GISMA Business School (Germany).

Visiting Professor of Marketing at ESIC, Madrid

COURSE DESCRIPTION

Services are becoming the dominant economic driver in the global economy and are critical for competitive advantage in companies, from all industrial sectors, all around the world. They currently account for more than 70% of global GDP and employ more than 80% of worldwide labor. Increasingly, a superior level of service allows firms to differentiate and dominate their markets. Even for companies not considered traditional service firms, good service and customer centricity represents a key strategy for growth and profitability. The purpose of this course is to introduce services marketing as a separate and distinct area of marketing thought and practice and to help students to understand its potential as a competitive advantage for any type of company. It will show how to create memorable experiences, improving customer engagement, and how to use satisfaction and loyalty strategies to drive firm profitability.

This course is designed to be useful not only for participants who want to pursue a career in services industries or start their own business, but also for any student who wants to understand how to better market the intangible and experiential components of the product and manage the customer experience.

All course activities are intended to help students become proficient in analyzing and judging the merits of services marketing strategies and to assist them in making better strategic marketing

decisions in both business and consumer markets.

LEARNING OBJECTIVES

By the end of the course, participants will:

Know the unique characteristics of services, and understand the specific challenges inherent to managing and marketing an experience and the intangible components of any product.

Be able to analyze the customer experience and the service design and delivery process, paying special attention to customer satisfaction and its conversion into loyalty and economic value.

Think systematically about service design.

Understand customer centricity and identify key factors for building and managing profitable customer relationships, appreciating the value of loyal customers.

Develop the ability to think critically and strategically about services opportunities and issues, applying services marketing concepts and frameworks to formulate valuable business solutions.

Gain knowledge about current relevant trends in services marketing.

METHODOLOGY

Marketing is a set of skills, concepts, knowledge, analytical techniques and approaches that, when applied appropriately, can greatly improve the efficiency with which business is conducted. This course is designed to further develop these skills, techniques and approaches and to seek appropriate solutions based on reasoning and analysis.

The emphasis in the course will be for you to develop “hands-on” skills and the confidence to apply those skills. An underlying assumption is that students learn best and retain the most through active participation in the learning process. Therefore, classroom sessions will consist of a mixture of lectures, case discussions and team presentations. Business cases will be selected based on their learning value and their ability to analyze different industries and types of markets. Each case provides a detailed description of a marketing situation faced by a real marketing manager. You should prepare each case with an action orientation – what would you do if you were that manager? And, just as important, why would you do it? You should come to class prepared to show the analysis you have used to come to your recommendation.

The materials that will be used include the following:

- Set of business cases and readings: A course pack will be available containing required cases and most readings for the course.
- Additional readings that will be distributed during the course.
- Team assignments to practice the conceptual frameworks that will be introduced in the course.

PROGRAM

SESSION 1

Course Overview and Introduction to Services Marketing

T.N.: Welcome to the experience economy (HBR R98407)

SESSION 2

Marketing a Customer Experience

P.C.: eBulli: The Taste of Innovation (HBS 9-509-015)

SESSION 3

Managing the Experiential Product

T.N. Cullen, "The Customer Experience: A New Paradigm for Marketing" (HBR)

SESSION 4

Understanding the Services Customer

T.N. Cullen, "The Customer Experience: A New Paradigm for Marketing" (HBR)

SESSION 5

(VIDEOCONFERENCE)

SESSIONS 6 - 7

Videoconference

SESSIONS 8 -

9

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SESSION 13

Building Customer Equity

T.N.: Customer Centered Brand Management (HBR R0409H)

SESSION 14 (FORUM)

Customer Focus

T.N.: Harvard ManageMentor: Customer Focus (7110-HTM-ENG)

SESSION 15

Reviewing the Service Model

*P.C.:
The
New
York
Times
Paywall
(HBS 9-
512-
077)*

SESSION 16

Mid-Term Exam

SESSION 17

Managing Customer Value

P.C.: TaKaDú (HBS 9-514-011)

SESSION 18

Course wrap-up

SESSIONS 19 - 20

Group Presentations

EVALUATION CRITERIA

Final grades will be determined by the following evaluation criteria and formula. A description of each component follows. Student grades will be distributed following guidelines provided by the IE Business School.

Criteria	Percentage	Comments
Individual write-up	25 %	
Mid-term Tests	20 %	
Final group assignment	30 %	
Workshop	10 %	
Class Participation	15 %	

Class participation

Active student participation is essential to the learning process and to the success of the class. Please note that you will be evaluated on the quality of your interactions, not just the quantity. However, some level of quantity is also necessary. Quality participation moves the discussion along and contributes to collective learning – it adds value to the discussion. Thorough preparation of business cases is key for constructive participation.

Because almost all learning is done in the classroom, attendance is required at all class sessions and it is not possible to make up for missed classes. A missed session will result in a zero grade for that day. Please notify me in advance if you are unable to attend class due to illness or any other emergency. Also, please note that attitude in class will be considered for participation purposes.

Individual write-up

Students are expected to prepare a written report for one of the cases that will be discussed during the course - though not all cases are eligible. Written briefs shall be 2 one-side pages maximum of text. You can include exhibits to show quantitative work and these will not be included in the 2-page limit.

Assignments are due at the beginning of the class the day the case in question is discussed and they have to be submitted in paper. You should also send them to me by e-mail or upload them to Campus Online. Under no circumstances will a brief be accepted after the above-mentioned deadline. There

will be
no

exceptions to this rule.

Also note that there is a set of “discussion” questions for each case. These questions are chosen to assure that pivotal topics are covered in student preparation, and are not designed to lead directly to a case “solution”. You should therefore use them for guidelines on issues of interest in the case and hints on writing up your report. You should not directly answer the discussion questions in the brief.

A very specific format is required for case briefs. You will have it posted on the IE Campus at the beginning of the course. Please note that the problem definition should be very concise and to the point. Do not repeat case facts. It is safe to assume that the reader has read the case and is familiar with the information it contains. Do not waste your valuable (and limited) space by providing a case summary. Papers should be evenly divided between analysis and recommendations

Grading criteria include the following points:

1. Quality of analysis - concise and comprehensive problem statements, appropriate use of course concepts, synthesizing and drawing inferences from case facts, inherent logic, informative exhibits.
2. Quality of recommendations - specific, comprehensive, and practical plans, recognition of implementation considerations.
3. Writing style and organization - logical structure, clarity, and conciseness.

Be sure to follow all previous guidelines before handing your case brief. Failing to comply would be reflected in your grade

Group assignment:

All students will form groups and, during this period, each group will develop an assignment that will be presented in the last session of the course. A more detailed format with the specific topics to be covered in the presentation will be shared with the students at a later stage. Teams will be required to prepare a presentation that will take place during the last session of the course. All team members are expected to participate. Both the content of the work and the quality of the presentation will be graded. Both a peer review and an intragroup evaluation will be conducted to determine the individual grade of each group member. Each group will send me a hard copy of the presentation and a more detailed written brief, no longer than ten pages, excluding attachments.

BIBLIOGRAPHY

Recommended

- Jochen Wirtz. (2016). *Services Marketing: People, Technology, Strategy*. World Scientific Publishing Company. ISBN 9781944659004 (Printed)

- Valarie Zeithaml, Bitner, Gremler. *Services Marketing: Integrating Customer Focus Across the Firm*. McGraw Hill. ISBN 9780078112102 (Printed)

- Harry Beckwith. *Selling The Invisible: A Field Guide to Modern Marketing*. Business Plus. ISBN 9780446672313 (Printed)

EXPECTATIONS OF INTEGRITY, RESPECT AND PROFESSIONALISM

Students must bear in mind that the class is a professional business environment and their collective behavior should facilitate the learning process. In a course such as this, class time is highly valuable and should focus on learning and debate. It is expected from students to show their respect and

professionalism by being in time for the sessions, in order not to disrupt the class. It is also expected that you do not leave the room after the session has started. Unless in case of an emergency, students are required to turn off their cell phones, even if they are in a silent mode. Except for case discussions, laptop use in the classroom is strictly prohibited. **For online sessions, your camera must be switched on during the whole class.**

Inside the class, students should treat each other with respect and in a professional manner. This does not mean that there cannot be disagreements. In fact, students are encouraged to contradict each other as this reinforces the learning process, but doing so in a professional way. Students should use rational arguments to defend their opinions and never engage in personal attacks.

In class discussions and in any written assignment conducted for this class, you can use whatever notes you have personally prepared. It is strictly forbidden to use notes or assignments from earlier years' classes or any materials prepared by other students. You are encouraged to work together on preparing cases. However, individual reports should be completed without help from others. Listing your name on the group assignment indicates that you have made a substantial contribution to the end product.

In all case analyses, you should not go beyond the case in your quest for information. The case provides all of the company facts that should be used in your analysis. Under no circumstances should additional research be conducted

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

STRATEGIC FORESIGHT: NAVIGATING UNCERTAINTY

AREA: STRATEGY

INTERNATIONAL MBA

Professor: **ALEXANDER VAN DE PUTTE**

CV

- Chief Strategy Officer of the Astana International Financial Centre (AIFC)
- Chairman of Corporate Governance & Stewardship at the AIFC
- Director of AIFC Tech (in partnership with the World Economic Forum Center for the Fourth Industrial Revolution)
- Managing Director, Sustainable Foresight Institute
- Co-Founder & Managing Partner, LakeWell Patners

Academic Background

- PhD, Engineering (Complex Adaptive Systems), University of Cambridge, United Kingdom
- Doctor of International Relations, Geneva School of Diplomacy & International Relations, Switzerland
- PhD, Applied Economics (Strategy & Finance), University of London, United Kingdom
- National Association of Corporate Directors, NACD Governance Fellow
- Institute of Directors, Chartered Director (CDir) and Fellow (FIoD)
- Stanford Directors Consortium, Non-Executive Directors' Certification
- MSt, Sustainability Leadership, Cambridge University
- MBA Fellow, Belgian American Educational Foundation, Harvard Business School
- MSc, Management and Business Administration, Boston University, United States
- MSc, Computer Information Systems, Boston University, United States

Academic Experience Professor of Strategic Foresight, IE Business School, 2009-present

- Co-Director, Executive Master in Energy & Sustainability Leadership, The Graduate Institute, 2010-present
- Visiting Professor of Scenario Planning and Corporate Strategy, INSEAD, 2005-2007
- Visiting Lecturer, Cambridge University, 2004 – present
- Fellow and Visiting Professor, Energy Delta Institute, 2004 – present
- Dean and Professor of Finance and Economics, Rouen School of Management, 2001 – 2004
- Visiting Lecturer, Boston University, 2001 – 2002
- Adjunct Professor, Solvay School of Management, 1995 – 2002
- Company Specific Executive Education Programs (Shell Finance, DuPont, ARPEL, The Pew Center on Global Climate Change, Statoil, Caterpillar, The Kazakhstan Development Bank,

Ecopetrol, Renault-Nissan, Toyota, GE Leadership, Innovation & Growth)

Corporate Experience

- Board Member of the National Investment Corporation of the National Bank of Kazakhstan
- Managing Director, Strategy and Strategic Foresight, Kazakhstan Development Bank
- Managing Director and Head of Scenario Processes & Applications, IHS Markit
- Senior Director and Head of Global Practices (Scenario Planning, Global Risks, and Competitiveness) at the World Economic Forum
- Senior Strategy & Portfolio Advisor to the Committee of Managing Directors, Shell International
- Executive Director and co-leader of the Shareholder Value Practice, PricewaterhouseCoopers
- Engagement Manager and Core Team Member of the Corporate Finance & Strategy Practice, McKinsey & Company

OVERVIEW

Charles Darwin made a famous quote: "It is not the strongest of species who survive, nor the most intelligent, but the ones more responsive to change." One can argue that the same applies to global businesses, and as a result, companies increasingly have to navigate uncertainty.

Strategy is concerned with allocating resources (both human and capital) so as to maximize shareholder value. Companies also have to preserve legitimacy by satisfying a broad group of stakeholder in the markets in which they operate. For companies operating in the global business environment, this is a daunting task.

Scenario planning is a strategic planning method that sheds light on the political, economic, environmental, social and technological forces that shape the world, regions and industries. Understanding how these forces may play out over time helps top management to set the strategic direction of an organization and to improve resource allocation. The course uses the methodology developed by the Shell Global Business Environment team and documented in "The Art of the Long View" by Peter Schwartz of the Global Business Network and "Three Decades of Scenario Planning at Shell" by Peter Cornelius, Alexander Van de Putte, and Mattia Romani.

TEACHING METHOD

The course uses a hands-on approach (using an actual project selected by the course participants) and explores potential extensions to the current methodology.

COURSE MATERIALS

Essential readings are available for download from Campus Online. The course materials will be made available at the end of each day and will include a PowerPoint deck on: 1) workshop facilitation, 2) scenario planning – process, methodology and frameworks, 3) scenario planning and corporate strategy, 4) rational valuation and resource allocation, and 5) the various frameworks which will be used in class.

LEARNING OBJECTIVES

This course seeks to develop the following competencies:

- Gain an understanding of the frameworks, processes and methodologies used to explore the future
- Gain an understanding how companies achieve balance between being a “performance organization” and being a “learning organization” Gain practical experience in developing plausible alternative scenarios as the context for strategic option generation and resource allocation
- Gain practical experience in developing plausible alternative scenarios as the context for strategic option generation and resource allocation
- Learn how to think in systems - non-linear, feedback-rich complex systems
- How to anticipate the need for change: Explore ways to link scenario planning to strategic option generation and resource allocation (including real options)

PROGRAM

The course is organized around 7 themes and uses an intensive 1 week workshop format, where the focus is on hands-on learning. And the end of the week, we review the scenario narratives and strategic options produced by the IMBA participants.

Session	Main Theme
1 & 2	Balance Performance and Learning
3 & 4	Scenario Planning – Exploring the Methodology
5 & 6	Scenario Planning and Corporate Strategy
7	Scenario Planning and Resource Allocation (including Real Options)
8 - 10	Identifying Critical Uncertainties and Focal Questions
11 - 13	Scenario Building – Logics and identification of strategic options
14 & 15	Review of Scenarios Narratives & Strategic Options

SESSION 1

Balance Performance and Learning

Topics covered include:

- Defining the “Performance Organization”
- Defining the “Learning Organization”
- Achieving balance between “Performance” and Learning”
- An integrated scenario driven strategic options framework to balance “performance” and “learning”.

T.N.: Why Successful Companies Usually Fail

T.N.: Reflections on Corporate Longevity

T.N.: Redefining Corporate Success: Surviving the Profit Motive

SESSION 2

Scenarios versus Forecasts

Topics covered include:

- Mental Models influence decision making
- How does scenario planning differ from forecasting?
- Four types of residual uncertainty and various futures approaches

- Scenarios defined

B.C.: The Art of the Long View: Planning for the Future in an Uncertainty World, (Doubleday: 1996), pages 3 -28 & 227 -248.

SESSION 3

Navigating Uncertainty - Reference Process Framework

Topics covered include:

- Rent of a publicly traded company
- Phases in strategic planning
- Reference Process Framework: Strategic direction setting, environmental scanning, strategic option generation, strategic option valuation, dynamic portfolio management, strategic early warning, and performance appraisal.

B.C.: The Art of the Long View: Planning for the Future in an Uncertain World, (Doubelday: 1996), pages 3 – 28 & 227 – 248.

T.N.: HSBC's Cuts are an Early Warning Signal to Banks

SESSION 4

Scenario Planning – Exploring the Methodology

Topics covered include:

- The unthinkable versus the foreseeable
- Jetstreams versus weather maps
- How to build scenarios - a step-by-step deductive scenario process using a recent scenario example
- Critical uncertainties and megatrends
- Thinking in Systems - exercise to develop a non-linear, feedback-rich system

Other: Scenarios: An Explorer's Guide, (Shell International: 2003).

P.C.: Scenarios: Uncharted Waters Ahead (85516-PDF-ENG)

B.C.: The Art of the Long View: Planning for the Future in an Uncertain World, (Doubleday: 1996), pages 100 - 162.

R.A.: Scenarios: Shooting the Rapids (HBR 85617)

SESSION 5

Scenario Planning and Corporate Strategy - Strategic Option Generation

Topics covered:

- Narrowing the range of uncertainty
- Endogenous (technical) and exogenous (economic) uncertainty
- Strategic options framework
- 7 mini-case studies

B.C.: The Art of the Long View: Planning for the Future in an Uncertain World, (Doubelday: 1996), pages 191 – 209.

SESSION 6

Resource Allocation and Dynamic Portfolio Management

Topics covered:

- What are real options and how to identify them?
- Optimal valuation metric selection
- Chemical company case study
- Four levels of uncertainty and their interrelationship
- Dynamic portfolio management simulation

T.N.: Estimating Volatility for use in Real Options, Global Journal for International Financial Analysts

T.N.: Valuing Complex Projects Exhibiting both Technical and Economic Uncertainty, Global Journal for International Financial Analysts

SESSION 7

Frame the Problem (in breakout groups)

Topics covered:

- Select industry and company to develop scenarios (ideally select an industry and company that is going through fundamental change)
- Define central question and time horizon of the scenarios

SESSION 8

Issue Identification and Prioritization (in breakout groups)

Topics covered include:

- Identify issues using the STEEP framework
- Prioritize issues and distinguish between critical uncertainties and megatrends (or predetermined elements)

SESSION 9

Focal Questions and Scenario End States (in breakout groups)

Topics covered include:

- Logically group together a set of critical uncertainties to arrive at focal questions
- Combine a set of focal questions to arrive at the scenario matrix
- Describe the scenario end states for the two most divergent scenarios

SESSION 10

Scenario Logics - Part 1 (in breakout groups)

Topics covered include:

- Develop the scenario logics of scenario 1 using system thinking (non-linear feedback-rich view of the future)
- Test for plausibility and internal consistency of scenario 1

SESSION 11

Scenario Logics - Part 2 (in breakout groups)

Topics covered:

- Develop the scenario logics of scenario 2 using system thinking (non-linear, feedback-rich view of the future)
- Test for plausibility and internal consistency of scenario 2

SESSION 12

Identification of Strategic Options (in breakout groups)

Topics covered:

- Develop a long list of strategic options
- Specify the nature and degree of uncertainty of each strategic option
- Map the strategic options on the strategic options framework

SESSION 13

Operationalizing the Strategic Options (in breakout groups)

Topics covered:

- Select 2 strategic options - either flexible or game changer
- Specify the 'how' and 'when' to compete for the 2 selected strategic options

SESSION 14

Review of Scenario Narratives & Strategic Options and Produced (In plenary)

Topics covered:

- Scenario narratives
- Scenario communication
- Scenario implied strategic options

SESSION 15

Review of Scenario Narratives & Strategic Options and Produced (in plenary)

Topics covered:

- Scenario narratives
- Scenario communication
- Scenario implied strategic options

EVALUATION CRITERIA

Your final course grade will be based on class participation, an individual essay and a group grade on the final presentation. The weighted final evaluation is composed as follows:

1. Class participation 30%
2. Individual 500 word essay 30%
3. Group report/presentation (scenario narratives and scenario implied strategic options) 40%

Criteria	Percentage	Comments
Class Participation	30 %	
Individual Work	30 %	
Group Presentation	40 %	

All students will be graded on a curve in accordance with the guidelines of IE Business School.

CLASS PARTICIPATION (30%). Good class participation means constructive challenge of the debate with the general objective to enhance the learning of the course participants. Students must therefore articulate their thoughts and submit them to constructive examination by others.

INDIVIDUAL 500 WORD ESSAY (30%). On Wednesday evening during the course and through Campus Online, an essay question will be made available to the course participants. **Answers are due by the first Sunday evening after the question has been made available.** A good answer will be succinct (500 words +/-10%), well-structured and argued response to the question.

GROUP REPORT/PRESENTATION (40%). During sessions 14 & 15, the scenario logics and strategic options produced, (a PPT template will be provided) will be presented to the course participants and a panel of selected faculty. Students will receive peer and faculty feedback on their work and winning presentation will be selected.

BIBLIOGRAPHY

Compulsory

- Paul J.H. Schoemaker; George S. Day. (2006). *Peripheral Vision: Detecting the Weak Signals that will Make or Break your Company*. Harvard Business School Press. ISBN 9781422101544 (Printed)

- Peter Schwartz. (1995). *The Art of the Long View: Planning for the Future in an Uncertain World*. Doubleday. ISBN 9780385267328 (Printed)

FAILING GRADE AND REASSESSMENT

When students receive a Fail in a course, they have the opportunity to present themselves for reassessment in order to earn the necessary credits toward graduation.

The reassessment of students should be scheduled between 5 and 10 working days after the review session takes place.

Grades for the reassessment are limited to a Low Pass and Fail.

Both, the initial Fail as well as the grade of the reassessment remain on the transcript. For the purpose of calculating the GPA however, only the grade of the reassessment is to be considered. Students receiving a failing grade in the reassessment of a course will not be able to continue in the program.

TECHNOLOGY AND BUSINESS STRATEGY

AREA: INFORMATION SYSTEMS & TECHNOLOGIES

INTERNATIONAL MBA

PROFESSOR: **RAMIRO MONTEALEGRE**

Ramiro Montealegre is an Associate Professor of Information Systems at the University of Colorado, Boulder. He was the first Academic Director of the Information Management Research Center at Instituto de Empresa in Madrid. He received his doctorate in business administration from the Harvard Business School in the area of management information systems. His master's degree in computer science is from Carleton University, Canada. He holds a Bachelor in Computer Systems Engineering degree from the Francisco Marroquín University, Guatemala. He has been invited lecturer at the Indian School of Business, University of Toronto, Case Western Reserve University, Universidad Torcuato DiTella in Argentina, Instituto de Centro América de Administración de Empresas (INCAE) in Costa Rica, Instituto Tecnológico y de Estudios Superiores de Monterrey in Mexico, Universidad Francisco Marroquín in Guatemala, Escuela Superior de Administración (ESAN) in Peru, and Instituto de Empresa in Spain. He is a recipient of five teaching excellence awards for outstanding teaching at the University of Colorado: the Boulder Faculty Assembly Excellence in Teaching, the Tony Tisone Teaching Excellence Award, the Joseph Frasca Excellence Award, the Graduate Professor of the Year Award, and the MBA Professor of the Year Award.

Dr. Montealegre's research focuses on the interplay between new information technology, such as the Internet, and organization transformation in highly uncertain environments. He has been involved in studying projects of organizational change in the United States, Canada, Spain, Mexico, and the Central and South American regions. His research has been published in Organization Science, MIS Quarterly, Sloan Management Review, Journal of the Association of Information Systems, Thunderbird International Business Review, Journal of Management Information Systems, Annual Review of Organizational Psychology and Organizational Behavior, Communications of the ACM, IEEE Transactions on Communications, IEEE Transactions on Engineering Management, IEEE Transactions on Systems, Man, and Cybernetics, Information & Management, Information Technology & People, Organizations Dynamics, e-Service Journal, and other journals. He has received the MCB University Press' Award for the "Most Outstanding" paper published in the journal of Information Technology & People; the "Best Paper" Award of the Organizational Communication and Information Systems (OCIS) Division of the Academy of Management; and the "Best Paper" Award of the IEEE Transaction on Engineering Management journal.

Education

Doctorate in Business Administration (DBA), Harvard University

Master of Computer Science (MCS), Carleton University,
Canada

Bachelor in Computer Systems Engineering, Universidad Francisco Marroquín, Guatemala

Professional Experience

Information Systems Project Leader, Ministry of Interior, El Salvador (1987-1990)

Information Systems Project Leader, National Reconstruction Committee, Guatemala (1987-1990)

Information Systems Consultant, Ministry of Education, Costa Rica (1987-1990)

Information Systems Consultant, Ministry of Finance, Guatemala (1984-1986)

Information Systems Consultant, Department of Defense, Guatemala (1984-1986)

Academic Experience

Academic Director, International Management Program, University of Colorado (2007-2009)

Chair of Systems Division, Leeds School of Business, University of Colorado (2004-2007)

Associate Professor of Information Systems, University of Colorado (since 1994)

Visiting Professor of Information Systems, IE Business School (since 2000)

First Academic Director of the Information Management Research Center, a joint research center of Accenture and IE Business School, Madrid (2002-2003).

Visiting Scholar at the following universities:

Case Western Reserve University, Cleveland, Ohio, 1996-1998

Escuela de Alta Dirección y Administración (EADA), Barcelona, Spain, since 2003

Escuela Superior de y Administración de Negocios (ESAN), Peru, since 2005

IESE Business School, Universidad de Navarra, Barcelona, Spain, 2000

Indian School of Business (ISB), Hyderabad, India, since 2006

Instituto de Altos Estudios (IAE) de la Universidad Austral, Argentina, 2000-2002

Instituto de Centro América de Administración de Empresas (INCAE), Costa Rica 1995-1996

Instituto de Desarrollo Empresarial de Guayaquil, Guayaquil, Ecuador, 1997

Instituto Tecnológico de Monterrey, Monterrey, Mexico, 1995-

1996 Norwegian School of Management, Norway, 2000-2002

Universidad Adolfo Ibáñez, Santiago, Chile, since 2012

Universidad Argentina de la Empresa, Argentina, since 2005

Universidad Carlos Tercero, Madrid, Spain, 1998

Universidad de Cadiz, Cadiz, Spain, since 1998

Universidad de los Andes, Merida, Venezuela, 1997

Universidad Francisco Marroquín, Guatemala, 1996

Universidad Pablo de Olavide, Seville, Spain, since 1998

Universidad Torcuato DiTella, Buenos Aires, Argentina, since

1999 University of Toronto, Canada, since 2006

University of Sydney, Australia, 2016

COURSE OBJECTIVES

The use and proliferation of information technologies have created drastic shifts in the way in which organizations buy and sell goods and services, and integrate their supply chain and delivery systems. Technology has also resulted in the fundamental transformations in the structure form, and governance of organizations. Today, information technology and networks represent the critical infrastructure on which corporations and the economy depend not only for the execution of operations, but also increasingly for the formulation of strategy and for competitive differentiation. Although some companies are very successful in discovering and cultivating innovative technology-enable business strategies, many fail in the process. Managers must learn to manage enterprises in a net-centric environment, exploit the enabling role of information technologies in transforming business and work group and individual processes, and extract the maximum strategic and tactical advantage based on the use of information. Making fashionable investments without systematically analyzing needs and without understanding how to adopt these new technologies in accordance with their company's situation is irresponsible.

This course combines theories and frameworks with practical approaches to provide students with the skills required to help companies identify business opportunities, find appropriate information related technologies, and lead adoption efforts to success. Thus, it is not a technical course; rather, it addresses the question: why and how should these new technologies be leveraged to shape and support strategic and entrepreneurial initiatives in the global competitive landscape.

LEARNING OBJECTIVES

In this course, students will learn what it means to be an information-based organization, and how IT-enabled processes to create and capture value for organizations. They will learn where IT is going, where it fits into organizations, and how to govern it. Through case studies, research reports, hands-on exercises, and interactive discussions, participants will learn to:

- Align IT with organizations' business goals, and communicate those goals
- Set business and technology priorities based on those goals
- Apply concepts, tools and techniques to design appropriate digital business models
- Evaluate digital transformation strategies of a business

METHODOLOGY

The course will be based on a series of conferences and case discussions. Case studies are based on actual company situations that give students examples of real management decision opportunities. At the same time, each case study illustrates a set of issues dealing with the uses and impacts of information technology. Classes will primarily be discussions of the case study assigned for that day, and the students are expected to have read, thought about, and prepared the case prior to class.

PROGRAM

SESSION 1

Overview of the course

- P.C. : C3: Enabling Digital Industrial Transformation (SM307-PDF-ENG)

SESSION 2

Effects of information technology on strategy and competition

SESSION 3

- P.C. : [Microsoft Surface: Accelerating Digital Transformation](#) (W19025-PDF-ENG)

SESSION 4

Options for strategic positioning

SESSION 5

- P.C. : [Digital Transformation at La Presse \(A\): Crafting a New Digital Strategy](#) (HEC206-PDF-ENG)

SESSION 6

Exploiting the physical and virtual worlds

SESSION 7

- P.C. : [Amazon Go: Venturing into traditional retail](#) (W17398)

SESSION 8

Digital business models

SESSION 9

- P.C. : Walmart's Workforce of the Future (HBS 9-819-042)

SESSION 10

Digital business models (Cont.)

SESSION 11

- P.C. : P.C. : [The Dalian Wanda Group: The Role of Information Technology in Becoming an Asset-Light, Service Oriented Enterprise](#) (HBS 9-818-065)

SESSION 12

Organizational transformation

SESSION 13

- P.C. : [Deutsche Bank: Pursuing blockchain opportunities \(A\)](#) (HBS 9-817-100)

SESSION 14

Information technology infrastructure

SESSION 15

- P.C. : Facebook Fake News in the Post-Truth World (720373-PDF-ENG)

SESSION 16

Emerging business models

SESSION 17

- P.C. : [China's Tencent: Leading the Way in Monetizing Platforms](#) (IMD887)

SESSION 18

Reflection: What to expect in the near future
Final Review

SESSION 19

Final Exam

SESSION 20

Final Exam

EVALUATION METHOD

In-class participation: 30%. Students are expected to attend every class and to participate in the class discussions. Class participation grades are based on two aspects: your attendance in class and your contributions to the class discussions. Contributions to discussions will focus on the quality, not the quantity of the contribution; therefore, students who participate often will not necessarily receive a better grade than those who participate less often. One must recognize, however, that there is an art to quality participation that is only learned by trial and error. Therefore, students are encouraged to begin contributing to the discussions early in the course.

As the value of this course stems from class discussion and participation, your attendance at class sessions is critical to learning the material and to enhancing the discussions. Therefore, your participation grade will include your class attendance. If you are unable to attend a class, please call the instructor prior to the class period to let him know. If you must miss a session, you may write and submit a THREE-page analysis of the issues discussed in the case and accompanying articles in order to avoid penalizing your participation grade. It is due by the beginning of the next class and no late write-ups will be accepted.

Short assignment: 10%. Throughout the semester you should choose ONE case study. For that case, you should write and submit a ONE-page analysis of the issues discussed in the case. The aim is for students to provide the professor with a "think piece" that demonstrates deep analysis and thought. Please do NOT summarize the facts of the case. Instead, pick one or two topics of the case that interest you and provide a discussion on the analysis that demonstrates a thorough argument. This assignment is due at the beginning of the class period in which the case is discussed. The purpose of the assignment is fourfold: (1) to help you in preparing for each session, (2) to improve your initial class participation, (3) to provide an opportunity for you to review other students approaches (by using the electronic newsgroup and self-review after class), and (4) to provide me with an opportunity to monitor and grade your day-to-day efforts and progress.

Team Work: 30%. Each student in the class is required to participate in a working team. Each team will be assigned one case study from the course syllabus. Each team will be assigned a case study to facilitate the discussion or to critique the facilitation. The facilitation should be interactive, informative and innovative. Think about creative ways to present and facilitate the case study discussion. For instance, try a role-play or a staged event rather than a traditional presentation. Team members' skills, experience and knowledge, as well as new stories that relates to the topic should add to the presentation and class discussions. In analyzing a case, the team will uncover important issues and highlight the main lessons of the case study assigned. The rest of the class should be prepared to engage the team in a lively discussion and debate of the case study. This means that everybody in class has to be prepared and should participate (thus contributing to the presenters' grade and their own class contribution grade). Working teams, therefore, will serve as a forum where students test and refine their analysis of the topic addressed. The working teams may be particularly useful in providing students with a sense of their increasing expertise in the application of research and problem-solving skills and methodologies that are developed by a "student-centered" learning approach.

Exam: 30%. More information about the final course exam will be provided during the course.

LANGUAGE: ENGLISH

STUDENTS CAN SUBMIT ASSIGNMENTS IN ENGLISH OR SPANISH