



H A R V A R D | B U S I N E S S | S C H O O L

HBS Europe Research Center (ERC) UPDATE JULY–AUGUST 2007

In this update: New publications on the Icelandic Glitnir Bank, Slovakia's tax reforms, and managing for the long term; ongoing research in Marketing, and Technology, Operations & Management; ERC case interviews and field research in France, Sweden and the Netherlands; and a visit on campus for the third edition of the European Entrepreneurship Colloquium on Participant Centered Learning.

NEWLY RELEASED CASES AND ARTICLES

Case: Navigating Turbulent Waters: Glitnir Bank's Communication Challenge During a Macroeconomic Crisis

Co-authored with Professors Gregory Miller and Michael Kimbrough, A&M, the case depicts Glitnir Bank, an Icelandic company following an aggressive growth strategy that relies heavily on foreign debt. Access to such debt is suddenly curtailed when there is a downturn in market sentiment regarding the Icelandic economy as a whole. The case reflects on the essential elements of a communications strategy, including the role of the media and analysts, and how to create infrastructure that will increase the bank's ability to communicate effectively with debt analysts in an environment of macroeconomic uncertainty.

HBS Working Knowledge Article: All Eyes on Slovakia's Flat Tax

Professor Laura Alfaro, Executive Director Vincent Dessain and Ane Damgaard Jensen of the ERC were interviewed for an HBS Working Knowledge article about the case study "Rovná Daň: The Flat Tax in Slovakia" co-authored with Professors Laura Alfaro and Rafael Di Tella, BGIE. The case explored the 2004 implementation of the "rovná daň" or "equal tax", which resulted in a drastic simplification of the Slovak tax system. In the article, Alfaro, Dessain, and Jensen highlight that Slovakia was the first OECD country to implement the flat tax and discuss the possibility of flat taxes gaining ground in the U.S. or Western Europe.

Harvard Business Review Interviews: Who owns the long term? Perspectives from Global Business Leaders

The ERC supported Harvard Business Review in a series of interviews with a number of top European business leaders, including Wulf Bernotat, Chairman and CEO of German utility E.ON, Maurice Lévy, Chairman and CEO of French advertising group Publicis, and Marianne Barner, Director of Corporate Communications at Swedish furniture retailer IKEA. The interviews appeared in a special July 2007 issue of Harvard Business Review focusing on Managing for the Long Term.

SAMPLE RESEARCH IN PROGRESS

The ERC is currently working on several cases and research projects such as:

- A case on the challenges at a traditional European engineering company in the face of increasing commoditization, with Professor David Godes, MKT.

The ERC is also exploring a case on socially responsible investing with Professor Sandra Sucher, TOM.

This update from the HBS Europe Research Center summarizes ongoing and future projects at the center. To stop receiving the update, contact gkristinsdottir@hbs.edu.

VISITS INVOLVING THE CENTER

Research activities in July and August involved several meetings in France with a food and beverage company for a case with Professor Amy Edmondson, TOM and Professor Bertrand Moingeon, HEC; case site interviews in the Netherlands with a beverage company with Professor Youngme Moon, MKT; meetings in France with a real estate company for a case with Professor David Hawkins; case site interviews in Sweden with an engineering company for a case with Professor David Godes, MKT.

In addition, we were happy to see here in Paris:

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| HBS Faculty | <ul style="list-style-type: none"> • Professor Asis Martinez-Jerez, A&M, who came to discuss his projects in Europe. • Professor David Hawkins, A&M, who visited the Center to discuss his case. • Professor Michel Anteby, OB, and Ms. Anne-Claire Pache, INSEAD, who videotaped a case interview at the Center. • Professor Gunnar Trumbull, BGIE, who discussed a case project with the ERC, and visited a French consumers' institution for a research project. |
| HBS Staff | <ul style="list-style-type: none"> • Ani Kharajian, Director Emerging Markets, Executive Education. • Mary Ann O'Loughlin, Director, Corporate Relations & Market Development, Executive Education. |

EVENTS

Visit on campus for the third edition of the European Entrepreneurship Colloquium on Participant Centered Learning (EECPCL) Program, July. The EECPL is an HBS "Teach the Teachers"-program on Entrepreneurship, launched for the first time in 2005 under the leadership of Professors Howard Stevenson and Michael Roberts, and with the support of Bert Twaalfhoven (MBA 1954) and Karen Wilson (MBA 1991). The ERC collaborated in the organization of this third edition. The program gathered 67 participants from 26 European countries. Vincent Dessain held a session on "Case Writing and Research at the HBS Europe Research Center".

COMMENTS?

We welcome all suggestions and comments. Please contact us:

- Vincent Dessain, Executive Director, vdessain@hbs.edu
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More information about the ERC: <http://www.hbs.edu/global/europe.html>

Best regards,

The staff of the HBS Europe Research Center

Mission of the HBS Europe Research Center:

The mission of the Europe Research Center is to support faculty in their research and case writing projects throughout Europe. In addition, the ERC builds relationships with European business and political leaders, educational institutions, and alumni.

HBS UNITS LEGEND:

A&M	Accounting and Management	MKT	Marketing
BGIE	Business, Government and the International Economy	NOM	Negotiation, Organizations & Markets
EM	Entrepreneurial Management	OB	Organizational Behavior
FIN	Finance	STRAT	Strategy
GM	General Management	TOM	Technology and Operations Management