



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 UPDATE MAY – JUNE 2005

In this update: New publications on Fresenius and Nexgen, ongoing research in Accounting & Control and Strategy, an ERC case trip to the UK and research interviews in France, the Annual Meeting of our European Advisory Board (EAB), the Global Leadership Forum in London and other events.

### NEWLY RELEASED CASES AND RESEARCH

#### Case: "Growth and Profitability at Fresenius"

Co-authored with Professor Joel Podolny, OB, the case describes how Mark Schneider, CEO of Fresenius, considers the group's strategic and organizational future in March 2005. The highly decentralized €7 billion German health care group has seen its group units grow independently over the years, but Schneider wonders if he should try and combine the company's entrepreneurial and profit-oriented culture with a more centralized approach in order to reap synergy effects?

#### Case: "Nexgen: Structuring Collateralized Debt Obligations (CDOs)"

Developed with Professors George Chacko and Peter Hecht, FIN. Told from the point of view of French structured finance solutions provider Nexgen Financial Solutions, the case looks at how securitization groups various financial instruments to create new securities with different risk and return profiles.

#### Research Project: "European Real Estate"

The ERC supported Professor Edward Riedl, A&C, in his research on financial reporting within the investment property industry. He was primarily interested in the effects of the mandatory adoption of International Financial Reporting Standards (IFRS) across the EU effective January 1, 2005. The ERC identified contacts and arranged discussions with European Investment Property Firms.

### SAMPLE RESEARCH IN PROGRESS

The ERC is currently working on several projects, such as:

- The different uses of investor relations at global energy groups; for Professor Gregory Miller, A&C.
- How an indigenous Polish company became Poland's leading media group; for Professors Tarun Khanna, STRAT, and Krishna Palepu, A&C.

The ERC is also in the early stages of other projects, such as an entrepreneurial case on a fast-growing internet telephony (voice over IP) network for Professors Thomas Eisenmann and William Sahlman, EM.

### VISITS INVOLVING THE CENTER

Research activities in May and June involved a case site trip to a UK based global investment bank with Professor Andrew McAfee, TOM.

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

- HBS Faculty
- Professor Andrew McAfee, TOM, for case work after a case trip to the UK.
  - Professor George Chacko, FIN, for work on ongoing research projects.
  - Professor Asis Martinez-Jerez, A&C, for interviews in Paris regarding research on Customer Profitability Measurement Systems at a global management consulting firm and a telecommunications company.
  - Professor Pankaj Ghemawat, STRAT, for an update on research in progress and launch of new projects with the Center.

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*This bi-monthly update from the HBS Europe Research Center summarizes ongoing and future projects at the center. To stop receiving the update, contact [dbeyersdorfer@hbs.edu](mailto:dbeyersdorfer@hbs.edu).*

- HBS Staff
- Eric McNulty, Managing Director Conferences at HBSP, in preparation of the HBSP conference “Burning Questions: Return to Growth” planned for October near Paris.
- Other Visitors
- Karen Wilson (MBA 1991), Founder GV Partners and Member of our European Leadership Council (ELC), for an update on the launch of a new European Entrepreneurship Colloquium on Participant-Centered Learning (EECPCL).

## EVENTS

**HBS Latin America Research Symposium** in Rio de Janeiro. Vincent represented the ERC at the academic discussions led by Dean Kim Clark and Professors Krishna Palepu, Senior Associate Dean and Director of Research, and John Quelch, Senior Associate Dean for International Development, which involved HBS faculty and regional academic and business leaders. This was the first of a series of International Research Symposiums which feature HBS research in different regions. The next one is likely to be held in Europe.

**HBS Pre-Reunion Event** in London. As the key note speaker, Vincent gave a presentation on the ERC and held a discussion based on the ERC case on Spanish clothing retailer Zara with around 80 alumni from the UK and other European countries.

**Visit on Campus.** Vincent met with Dean Kim Clark and Professor Krishna Palepu and provided them with an update on ERC's activities. He also met with 13 faculty members to discuss ongoing projects and initiate new case leads. Meetings with several administrative staff members were also on the schedule.

**Annual European Advisory Board (EAB).** The meeting, which was held in London, featured presentations by Dean Kim Clark, Professor Forest Reinhardt, Faculty Chair of the European Research Initiative, Professor Clay Christensen and Vincent. Professor John Quelch, Susan Hamilton, Director International Relations, and Eileen Keohane, Director Global Initiative, also attended the event. 20 EAB members attended.

**Global Leadership Forum** “New Barriers and New Opportunities: Leading in an Uncertain World” London. Showcasing the best of global leadership thinking, research, and practice to alumni from all over Europe and the world, this alumni conference offered access to preeminent business leaders and top HBS faculty. The Forum was co-chaired by Prof. Nancy Koehn & Sir Martin Sorrell, WPP Group. Vincent represented the ERC.

## COMMENTS?

We welcome all suggestions and comments. Please contact us:

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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

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### *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&C	Accounting and Control	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