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HBS Europe Research Center UPDATE NOVEMBER – DECEMBER 2005

In this update: New publications on companies Total and Migros and on Investors Relations; ongoing research in Organizational Behavior and Technology & Operations Management; ERC case and research interviews in France, Sweden and the UK; and a research seminar on the use of Customer Information to Achieve Competitive Advantage.

NEWLY RELEASED CASES AND RESEARCH

Case: Investor Relations at TOTAL

Co-authored with Professor Gregory Miller, A&C, the case examines investor relations and financial communication at French oil and gas giant Total. Total interacts with a diverse group of stakeholders—institutional and retail shareholders, employees, unions, government and the public at large—and consequently faces strong expectations on its results and corporate behavior. The case examines how Total designs its financial communication strategy, taking into account the different expectations of its stakeholders. The case asks students to consider how to adapt this communication strategy in a period of high oil prices and high profits in 2005.

Case: Migros

Co-authored with Professor Forest Reinhardt, BGIE, the case focuses on how the Swiss retailer Migros defends its unique market position from new and old competitors. So far, management has expressed faith in Migros' position in the market place, built around its particular governance structure (the customers are also the owners, creating a close link between the retailer and the market) and its emphasis on 'ethical' products. However, will this position last as hard-discount chains are entering the Swiss market?

Reading Note: When Investing and Social Objectives Meet

Co-authored with Professor Gregory Miller, A&C, this reading note introduces investors and stakeholders who evaluate firms based on other factors than investment payoff. Such investors can vary from large "ethical funds" investors to individuals pursuing personal goals, so-called "gadfly investors". Managers and investor relations experts must consider their alternative expectations when designing disclosure and communication strategies. The note also covers non-investor groups that use a firm's financial market information and connections as a lever to impact the firm's behavior.

SAMPLE RESEARCH IN PROGRESS

The ERC is currently working on several projects such as:

- A case on the organizational response to a large-scale crisis, with Professor Joshua Margolis, OB.
- A research project about the relationship between design, R&D and manufacturing and the impact of outsourcing, with Professor Gary Pisano, TOM.

The ERC is also exploring new case leads in corporate governance and a research project on "Codes of Conduct".

VISITS INVOLVING THE CENTER

Research activities in November and December involved a research seminar with Professor Asís Martínez-Jerez, A&C, jointly organized with the ERC (please see the events section) and case site trips to the United Kingdom and Sweden for case interviews with Professors Gregory Miller, A&C, and Joshua Margolis, OB.

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

HBS Faculty • Professor Forest Reinhardt, BGIE, for an update on research in progress, work on ongoing

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

- case projects and a meeting with the CEO of a leading European company
- HBS Staff
- Susan Hamilton, Senior Development Officer and Director of International Relations, for various meetings in Paris
 - Celia Berenguer, Associate Director, Custom Programs, to identify European companies that are potentially interested in Executive Learning Programs
 - Deirdre Leopold, Associate Director of Admissions for the MBA Program, for interviews
- Other Visitors
- Gregory Miller, Global Product Director at Novartis, to discuss research projects
 - Michael Zaoui, Managing Director at Morgan Stanley & Co and chairman of the ELC, to visit the Center
 - Erkan Kilicaslan (MBA 1997), Partner at Iris Capital and member of the HBS Club of Munich, to discuss ERC's participation in an alumni event
 - Olivier Meier, Professor at the French University Paris Dauphine.

EVENTS

HBS Alumni event in Frankfurt: Together with Susan Hamilton, Professor Forest Reinhardt and Professor Josh Lerner, Vincent participated in this event that gathered around 60 German HBS alumni and presented the activities of the Center. Professor Lerner, key note speaker, presented the case "Apax Partners and Xerium SA" and led an animated case discussion.

Bain & Company Reception: Vincent represented the ERC at Bain France's "20 years of activity" celebration at the invitation of Jean-Pierre Felenbok, Vice President and Director at Bain & Company and member of the ERC's European Leadership Council (ELC).

Research Seminar on the Use of Customer Information to Achieve Competitive Advantage: This half-day seminar, the first of this kind held at the Center, was co-organized by the ERC and Professor Asís Martínez-Jerez. In a new pilot format, this event brought together business leaders across different industries and countries to brainstorm on a common managerial challenge. The participants were Georges-Edouard Dias, Team Leader Internet and E-business at French L'Oréal; Fernando Moreno Marcos, Sub-director General at Spanish Bankinter; José A. LLontop, President for Austria, Czech Rep., Hungary, Croatia and Israel at Mexican Cemex; and Kumar Ramamoorthy, Global Brand Manager at Swiss Novartis Pharma.

Award Ceremony at the Presidency of the Senate "Victoires des Autodidactes 2005": Vincent participated in this event organized by the HBS Club de France where awards were distributed to entrepreneurs who achieved success without having a degree.

Event at LVMH: The event was organized by Concetta Lanciaux, Conseiller du Président at LVMH. On this occasion, Vincent discussed with Professor Manfred Kets de Vries, INSEAD, and Professor Nirmalaya Kumar, London Business School, about the ERC and potential research projects.

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

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