

March 2014, Number 3, Volume 18

## Key Note Speech at the University of International Business & Economics Forum

On Oct 21, 2013 Prof. Beamish provided a key note speech: "Case Development in China – a 31 Year Perspective" at the 3rd "Innovation Cases of China Corporate Management Research Summit Forum" at UIBE in Beijing. UIBE is an AMI partner on Book Publication, Joint Case Training and Development and the Site License program. A delegation will visit Ivey (London and Toronto campuses) in April 2014.



The Institute of Chinese Financial Studies (ICFS) was founded in the Southwestern University of Finance and Economics (SWUFE) in the year 2000 as the only China national financial research center sponsored by the Ministry of Education. A five person delegation visited Ivey on September 27th 2013 to explore cooperation on Joint Research, Faculty Exchange and Student Exchange.

## China Agriculture University Visit

On May 2nd 2013, the Dean of China Agriculture University and its Case Centre Director visited Ivey to discuss cooperation opportunities for Case Book Publication, Site License Registration and Case Workshop Organization. The meeting led to a new Site License contract and the preparation of the very first Agri-Business in Top Fortune 500 Case Book.

Originally initiated by AMI, the project is now organized by MBA students. With AMI's help, CTP has successfully increased their university partnerships in China from two schools to three. There will be a total of eight MBA students going to China on May 4th. Jinan University in Guangzhou, China University of Political Science and Law, together with Shanghai International Studies University will be the host schools this year.

## Did you know...

Since December 2012, there were a total of 38 new cases from Asia-Pacific registered with Ivey Publishing plus 91 cases from Central Asia and India Subcontinent for a total of 129; 933 cases have been translated in Chinese (802 in Simplified Chinese and 131 in Traditional Chinese); There have been more than 90 books by Ivey faculty published in China in total.

## Workshop on Case Centre Set-up and Case Publication with Ivey, July 2 - 4, 2014

The 2nd annual Workshop on "Case Centre Set-up and Case Publication with Ivey" will be held at our London, Ontario campus July 2 - 4, 2014. This event will allow professors to learn how to fast track the Case Centre development at their school and case registration at Ivey Publishing. During the conference, participants will meet Ivey professors, Directors, and other staff of Ivey. Case Centre Directors / Deans / Associate Deans from Chinese business schools joined the events of 2013. Topics to be covered include "The Start-up Stage for a Case Centre: Where to focus and where not to focus: Case Centre Leadership as a Change Management Process"; "Establishing a Joint Case Development Collaboration"; "Structuring a Case Centre"; "Understanding the Case Study Site License Plan and various cooperation options"; "If you want to register cases, you need to be (or get) an editor: What does this entail?" Last year's attendees not only gained firsthand knowledge on Case Centre development, but also had the chance to sit in on an actual class at Ivey. Should you have any other inquiries or any questions, please contact Matt Quin (mquin@ivey.uwo.ca) or Lily Li (lli@ivey.ca).

**Christopher Williams** has been appointed to the F.W.P. Jones Faculty Fellowship for a three-year term starting February 1, 2014. This award was established in 1992 in honour of Fred Jones, a former Ivey Dean who led the School from 1954 to 1963. Chris is an assistant professor in international business at Ivey. His research falls into the broad areas of entrepreneurship and organization in multinational enterprises, managing offshore outsourcing and the transition of knowledge-intensive work overseas, and national systems of innovation. Chris also has two decades of industry experience in international firms and has lived and worked in the UK, Germany and The Netherlands. Further information may be obtained from the

Ivey web site: <http://www.ivey.uwo.ca/faculty/directory/christopher-williams/>



As one of four exclusive case method teaching schools in the world, Ivey is the world's largest producer of Asian based cases and ranked the #1 provider of executive education in Great China. See how our senior alumni endorse our Case Teaching Methods:



**“Walk in the shoes of 150 CEOs in 18 months”**

*“It’s the Case Study Method that makes Ivey unique. Once you get into these cases, they’re so varied, so different. You get to walk in the shoes of 150 CEOs in 18 months and solve their problems – it’s exhilarating.”*

Randy Weddle (Ivey EMBA '09) is Managing Director, Asia/Pacific, of the International New York Times. In the last five years, Randy has provided inspirational leadership during a period of major shifts in the media industry.



**“Lessons you’ll never forget”**

*“Learning exclusively from real life examples using business cases, my Ivey experience gave me the foundation to consider different perspectives, debate alternatives and articulate my decisions.”*

Scott Beattie (Ivey HBA '81, Ivey MBA '86) is one of the most respected names in the beauty products industry. As Chairman, President and CEO of Elizabeth Arden Inc., his vision and leadership in product innovation and brand development has transformed the company into a global powerhouse. He attributes this business acumen to lessons learned at Ivey.



**IVEY** Executive MBA  
Business School  
WESTERN UNIVERSITY - CANADA

Victor Mok | EMBA '02  
CEO, North Asia  
DHL Supply Chain

**“I wasn’t interested in lecture-style learning”**

*“The Ivey approach requires looking at real business issues and developing solutions. The professors have us analyze, debate and present to classmates, as well as company owners, it’s all totally relevant. I chose Ivey for its case-method learning – they excel at it.”*

Victor Mok (Ivey EMBA '02) has over 20 years of experience in the aviation, freight and logistics industry. Having successfully strengthened the DHL Supply Chain business in Greater China, he is now CEO of the fast-growing North Asia region.



**“Case-method learning challenges you in ways that lectures can’t”**

*“Ivey’s Case Study Method allows you to identify the issues and underlying principles that resonate with your life experiences. It brings much broader perspective and deeper insight into the decision-making process.”*

Jason Yeung (Ivey EMBA '01) is Deputy Chief Executive of Bank of China (Hong Kong). With his visionary management approach, he has driven the Bank’s personal banking operation to grasp opportunities in a changing marketplace.

**SELECTIVE ASIA – RELATED  
RESEARCH ARTICLES BY IVEY  
FACULTY**

**Choi, S.B., Ha, S.H., Williams, C., 2014, "Institutions and broadband Internet diffusion in emerging economies: lessons from Korea and China", *Innovation: Management Policy and Practice*, 16(1).**

We explore the role of institutions in facilitating rapid broadband Internet diffusion in emerging economies. We focus on the interplay between State influence (including educational programmes and promotion policies) and market influence (supply and demand conditions) and use the cases of Korea and China as our empirical context. The cases suggest that the configuration of institutional arrangements has an important role to play in facilitating broadband Internet diffusion in emerging economies, above and beyond overall levels of institutional quality and the presence of technological infrastructure. The case data suggests that configuration and coordination between country-level institutional arrangements determine differences in the paths and outcomes of broadband Internet development in emerging economies.

**Gelfand, M.J., Brett, J.M., Gunia, B.C., Imai, L., Huang, T.J., Hsu, B.F., 2013, "Toward a Culture-by-Context Perspective on Negotiation: Negotiating Teams in the United States and Taiwan", *Journal of Applied Psychology*, 98(3): 504 - 513.**

Within the United States, teams outperform solos in negotiation. The current research examined whether this team advantage generalizes to negotiators from a collectivist culture

(Taiwan). Because different cultures have different social norms, and because the team context may amplify the norms that are salient in a particular culture, we predicted that the effect of teams on negotiation would differ across cultures. Specifically, we predicted that since harmony norms predominate in collectivist cultures like Taiwan, the team context would amplify a concern with harmony, leading Taiwanese teams to negotiate especially suboptimal outcomes. In support, 2 studies showed that Taiwanese teams negotiated less-optimal outcomes than Taiwanese solos. We also documented that the interactive effect of culture and context on outcomes was mediated by harmony norms. By showing that the same situational conditions (team negotiations) can have divergent effects on negotiation outcomes across cultures, our results point toward a nuanced, sociocontextual view that moves beyond the culture-as-main-effect approach to studying culture and negotiations.

**Plourde, Y., Parker, S.C., Schaan, J-L., 2014, "Expatriation and its Effect on Headquarters Attention in the Multinational Enterprise", *Strategic Management Journal*, Forthcoming.**

We explore the circumstances under which expatriates can help their host-subsidary capture headquarters attention. Our central contention is that expatriates will be particularly helpful in situations where a subsidiary or its market is showing signs of growth, allowing headquarters to recognize information signaling opportunities for the firm that could otherwise go unnoticed. We test this contention using a robust instrumental variable approach in a single multinational enterprise. Our results show that subsidiaries hosting expatriates and

experiencing growth at the subsidiary or market level have a higher probability of capturing headquarters attention.

**Su, N., 2013, "Internationalization Strategies of Chinese IT Service Suppliers", *MIS Quarterly*, 37(1): 175 - 200.**

With China emerging as a new frontier of global IT outsourcing, many Chinese IT service suppliers are actively expanding in three major markets: Asia, especially Japan, the West, especially the United States, and the Chinese domestic market. Compared to multinational suppliers and established Indian suppliers, Chinese IT service firms are at a relatively early, but rapidly growing stage, which offers a unique opportunity to explore an understudied topic in the information systems literature: internationalization strategies of IT service suppliers from emerging economies. Through a three-part qualitative case study of 13 China-based IT service firms, including almost all of the Chinese suppliers recognized globally, this study elaborates the internationalization behavior and decision rationale of these suppliers. The findings show that these major Chinese suppliers include both firms that incrementally internationalize and firms that are 'born global.' For both types of firms, the entry and growth in different markets is a highly dynamic activity combining a strategically planned, resource-seeking process and a flexible, opportunistic bricolage process based on existing operation capabilities and client relationships. The suppliers dynamically oscillate between these processes to exploit and create opportunities while expanding in multiple markets.



9B14M003

### The Unfinished Dream of NBA China

Xianghang Guo , Yin Chen

The National Basketball Association (NBA) is one of the most successful sports leagues in the world. Under the leadership of David Stern, the NBA has undergone unprecedented globalization. An NBA game in 2007 between the Rockets and Bucks — featuring the meeting of two Chinese players — drew an estimated 250 million television viewers in China. In 2008, a local, independent company, NBA China, was created and majority-controlled by the NBA, taking the NBA's business in China to the next level. Up until now, China has been the NBA's number one market outside the United States by a large margin. However, nothing comes easily. Social networking services have developed quickly, redefining how fans watch games and interact with each other; the traditional merchandise strategy based on franchised stores is being challenged by booming online businesses; the annual NBA China Games are no longer able to satiate Chinese fans' growing appetite for games; relations with the government-affiliated Chinese Basketball Association are tense; and no Chinese have played in the NBA since Yao Ming's retirement. Facing all these challenges in a nation with an entirely foreign system and culture, what should the new CEO of NBA China do?

9B13D021

### Yamato Transport Co. Ltd.: TA-Q-BIN

H. Brian Hwang , Motoka Mouri

Since 1976, Yamato had enjoyed steady growth in the Japanese domestic parcel delivery market. Yamato had maintained its leading position in Japan through its highly acclaimed TA-Q-BIN service. However, with changing demographics and market conditions, the business landscape had been changing. Overdependence on the domestic delivery business limited the overall growth of Yamato. Furthermore, the growth of the TA-Q-BIN business in Japan was limited by the stagnant growth of

Japan's economy. Makoto Kigawa, president and then chairman of Yamato Transport, had been relentlessly pursuing business restructuring as well as promoting productivity improvements. His goal was to increase the share of the delivery business related to overseas markets from four to twenty per cent of total revenue by the time of Yamato's centennial celebrations in 2019. How could he successfully implement the TA-Q-BIN service system in overseas markets such as Taiwan, Singapore, Shanghai, Hong Kong and Malaysia?

9B14C009

### Huo's Group: A Professional Manager in a Family Firm in China

Wang Ting , Paul W. Beamish , Zhou Liman , Luo Jingjing

In February 2012, a human resources appointment attracted wide attention from China's domestic lubricating oil industry. The iconic general manager of Shell Tongyi (Beijing) Petroleum Chemical Co., Ltd. officially took the position as the chief executive officer (CEO) of Huo's Group, thus returning to work for his former boss, the founder of the former Tongyi Lubricating Oil. Before the merger between Tongyi and Shell in 2006, the private entrepreneur and the professional manager had jointly created the well-known Tongyi Lubricating Oil and were renowned as "perfect partners" by many in the business media. In 2012, their hope was to achieve glory again on this wider business platform - Huo's Group. Was this likely?

9B13C030

9B13M122

### NPI in China: Organizing for Social Good

Oana Branzei , Yanfei Hu

NPI is a Shanghai-based social venture that actively promotes social innovation and cultivates social entrepreneurs by granting crucial support to start-up and small- to medium-sized grassroots non-profit and non-governmental organizations. The

company was founded in 2006 when the Chinese government had loosened its restrictions on private donations to charitable causes and cautiously welcomed private non-profit organizations to enter the social welfare sector. Its founder's ability to enlist support not only from national and local government officials but also from foundations and other grassroots not-for-profit organizations has led to its success in the areas of incubation of start-up social enterprises, venture philosophy, resource integration, capacity building, showcasing, outreach and social innovation. However, in 2013, NPI is threatened by a combination of rapid growth, mushrooming projects and limited means to attract and retain professional staff. The founder is faced with devising a three-year strategic transformation of NPI at a critical tipping point for social enterprise in China.

9B13B021

### 7-Eleven in Thailand

Sundaravaradhan Venkatesh , Sandhya Bhatia

CP 7-Eleven is a prominent retail chain in Thailand. The analysis of the financial statements for the year 2011 revealed that while the earnings per share increased, the return on equity (ROE) declined. The company had negative working capital. It exerted strong bargaining power over its suppliers and customers and had efficient inventory management. It had been accumulating cash and other liquid assets over the last few years and it expanded in a well-planned manner, with almost 500 new stores every year. However, the company was viewed as having a lot of "fat" on its balance sheet. It was necessary to trim the fat and enhance ROE. The company needed to focus on strategies for future growth.