

Integrating the enterprise

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A fundamental management challenge, particularly in large, diversified global enterprises, is the tension between subunit autonomy and companywide cohesion. New research uncovers several ways top companies balance that tension. In the last decade, performance criteria often ignored how managers of subunits contributed to companywide performance. Empowerment efforts

improved unit competitiveness but left knowledge sharing behind. Today (because customers' needs span internal boundaries and because technology has changed the way innovation gets managed) managers are recognizing the need to address the integration side of the tension. Executives who want to build horizontal integration without disrupting entrepreneurship must allow time

for persistent action and reinforcement to take hold. Although they have to be relentless in driving the process, they must be patient about results. Such leaders will reap enhanced organizational capability and sustainable improvement of business performance. ■

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Eleven misconceptions about customer relationship management

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Higher buying rates and lower service costs make long-term customers more profitable and firms increasingly focus their marketing efforts on CRM.

However, they are often disappointed by the performance of these projects. This is caused by managerial misconceptions about CRM and customer behaviour.

This article focuses on 11 of these errors. ■

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Twelve years of privatisation in the OECD countries

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After almost a decade of steady growth during the 1990s, and peaking at around USD 100 billion in 1998, privatisation proceeds dropped to just over USD 20 billion in 2001. The main sectors involved in the privatisation processes were telecommunications, financial intermediation and the so-called public utilities (energy, gas,

water). Public offerings and trade sales have been the predominant methods of sale. In many countries, a combined approach has been used to maximise the benefits associated with each method. In the European Union, where the value of the privatisation proceeds amounts to almost two thirds of the total amount of the proceeds in the

OECD area, there are some evidence that the privatisation wave was mostly influenced by financial reasons associated with the convergence criteria rather than by strategic options. Deceleration of privatisation activity in the OECD area is expected to continue as privatisation programmes mature in many countries, including Portugal. ■

Networks – hybrid or new organizational form?

Mariana Baldi and Fernando Dias Lopes (Universidade Federal do Rio Grande do Sul, Brazil)

The central question of this article is to expand the comprehension of networks as a social and economic structure of governance. For reaching this objective are compared two theoretical approaches about the nature of these arrangements: networks as intermediary form between market and hier-

archy and networks as a new form of governance. It will be presented an integrated perspective where the two prior approaches are considered as focusing on different dimensions of the phenomena (the unit of analysis - transactions and social relations) and incomplete (economic or social cultur-

al). The authors develop a theoretical review about new organisational forms, networks and coordination mechanisms; a comparative analysis of Williamson's and Powell's approaches. Finally, it is presented a set of propositions to future empirical investigation. ■

Two paths for participation in collective work: identification and instrumentality

Manuela Barreto (Leiden University, The Netherlands)

One of the main challenges that is presented to group or team leaders is that of knowing how to motivate group members to exert themselves in favour of the collective good. Two types of strategies are described: identification - to create and maintain iden-

tification with the group, and instrumentality - to present group goals as means or instruments towards the achievement of personal rewards. Although both strategies can lead to positive outcomes for the group, caution is advised in their use, both due to the

potential negative result of interferences between the two strategies and due to the disturbances they may cause in the relationship between different teams. Suggestions for the role of the leader in this context are presented. ■

Knowledge management in organisations and the market of business services

Isabel Nicolau (ISCTE, Lisbon, Portugal)

Knowledge is not a new subject in economic literature. What is new is the relevance of knowledge as strategic asset supporting competitive advantage of organisations.

The management of this asset is, at present, object of discussion, and so it is the definition of what kind of knowledge must be kept inside the organisation supporting

the core business, and what kind of knowledge associated to peripheral activities must be bought from market. Several authors draw their attention to the advantage of the externalisation of activities because it increases the flexibility of organisations. However, to buy business services or to opt for strategic outsourcing involves some risks related to particular characteristics of the

business service markets. These characteristics are not fully studied and the risks stay poorly evaluated.

The aim of this paper is to reflect upon the problem of knowledge management in organisations and upon the characteristics and behaviour of business service markets, in particular, the knowledge based business services. ■

Delimitating the organizational learning framework Its relationship with individual learning

Albino Lopes and Alexandra Fernandes (ISCTE, Lisbon, Portugal)

The purpose of this paper is to give a new approach to the relationship between organisational learning and individual learning. Firstly, we set out how organisa-

tional learning is an important framework to better understand organisations. Secondly, we point out the reasons why organisational learning has been consid-

ered tightly connected with individual learning. Finally, we give theoretical support for independent studies of organisational learning. ■

Trás-os-Montes floriculture's competitiveness. Reality or fiction?

António Fernandes (Instituto Politécnico de Bragança, Bragança, Portugal)

In Trás-os-Montes, portuguese region, flower's business is growing based in a market penetration vector. Despite the adversity of climacteric factors, national and EU currency and business power of clients, the

growth of consumer buying power and the disposability of EU funds are the opportunities that young farmers don't want to waste. The great dynamism that characterise the business allows to perspective a remarkable

development. Alternative strategies like innovation, market development, concentrate growth and product development are capable to modelling the future of floriculture in Trás-os-Montes.

RTBC - Real time Business Case

Bianor Cavalcanti (EBAPE - Fundação Getulio Vargas, Brazil), Ruy Marra and Glauco Cavalcanti (Onda Verde Clorofila Company, Brazil)

The article reports a pioneering experiment conducted at Escola Brasileira de Administração Pública e de Empresas - Fundação Getulio Vargas, applying a

business case in real time (RTBC). It is assumed the important contributions to management education of the methods developed in the 50s, which have the

vivential model subjacent to their logic. However, it stresses their limitations considering the current rates of change in business environments. ■

Strategic partnerships of the Portuguese banking in digital portals

Carlos Osório, Daniela Gomes and João Leitão (Universidade da Beira Interior, Covilhã, Portugal)

This article presents an analysis of the changes operated in the Portuguese banking, where is observed an application of different business models, which conjoin the incorporation of Information and

Communication Technologies. Internet, as privileged distribution channel, has become an instrument for the convergence of business partners, products and services, which lead to the development of strategic part-

nerships between the most representative Portuguese banks and other industry's enterprises, based on the creation of digital portals, covering the Business-to-Business and Business-to-Consumer areas. ■