



GLOBAL NETWORK FOR ADVANCED MANAGEMENT

IN THIS ISSUE **News and Events**

- **2015 Global Network for Advanced Management Investment Competition**
- **Live Video: A Conversation with Vivek Murthy, M.D., M.B.A., Surgeon General of the United States**
- **Survey on Issues that Impact Business and Society**
- **A Few Spaces Available in Some Global Network Week Modules**

Selections from Global Network Perspectives

- **What Does the Ripple in the Chinese Economy Mean for Global Business? (FGV EAESP, PUC, Lagos Business School, EGADE)**
- **Business Model Innovation -- Not Bailouts -- Will Save Struggling State-Owned Enterprises (Kosheek Sewchurran, UCT Graduate School of Business)**
- **Water to Wine: The Case for Wine Amidst the California Drought (Todd Cort, Yale School of Management)**
- **How Should Companies Evolve? (Laurence Capron, INSEAD)**
- **How Does the Changing Price of Oil Affect Your Economy, Now and Potentially in the Future? (FGV EAESP, ESMT, Renmin, EGADE, Lagos Business School, Sauder)**

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QUICK LINKS

- [Member Schools](#)
- [Network Cases](#)
- [Network Weeks](#)
- [Network Courses](#)
- [Global Network Perspectives](#)

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2015 Global Network for Advanced Management Investment Competition

We are excited to announce the inaugural Global Network for Advanced Management Investment Competition open to students at schools within the Global Network for Advanced Management. The competition, hosted by the Yale School of Management, is a one-of-a-kind contest dedicated to equity investments sourced from top business students around the globe. Student teams will submit five investment ideas from the region in which they attend school for a chance to win up to \$10,000 in prizes. Two separate awards will be given to teams that have either the top investment thesis or top risk-adjusted portfolio returns. [Read more >>](#)



Live Video: A Conversation with Vivek Murthy, M.D., M.B.A., Surgeon General of the United States

Vivek Murthy, M.D., M.B.A., Surgeon General of the United States will participate in a discussion at the Yale School of Management on September 16, 2015 in a Leaders Forum event. The Leaders Forum brings global CEOs and heads of organizations to campus to speak with students.



Members of the Global Network for Advanced Management are invited to join via [live video stream](#) at 4:15 EDT ([check the time in your country](#)). Participants may send questions for Dr. Murthy before the event to info@advancedmanagement.net or via Twitter using the hashtag #GNAMEDU. [Watch the video stream >>](#)

Survey on Issues that Impact Business and Society

All GNAM students and recent alumni are invited to participate in the first global survey of future business leaders. We need your help to ensure that this initiative is successful and brings the greatest benefit to our schools and to you.



[Complete the survey](#) and help gain global recognition for your school.

This survey is part of a global research study that is exploring the attitudes and opinions of business students around the world on pressing global issues. Aggregate results from this study will be published and distributed globally to senior business executives, generating greater recognition and publicity for our schools. By participating, you will help shape the future of business leadership education. The anonymous input you provide will also help each GNAM school improve its curriculum, programming, and career services to better serve you.

The survey will be open until September 28, but we encourage you to complete it as soon as possible. It should take you approximately 15-20 minutes to complete. Thank you in advance for your participation in this important initiative. [>>Take the survey >>](#)

A Few Spaces Available in Some Global Network Week Modules

There are a few spaces available in some [Global Network Week](#) modules for October 2015. Interested students may check with their MBA Directors/



**From Global Network Perspectives
What Does the Ripple in the Chinese Economy Mean for Global Business?**

The fluctuation of the Chinese currency and shifts in the country's stock markets sent a shock

through global markets at the end of August. *Global Network Perspectives* spoke with experts across the Global Network for Advanced Management to ask how a sudden shift in the world's second-largest economy impacts other nations. What are the short-term and long-term implications? What industries will likely be affected? [Read more >>](#)



From Global Network Perspectives
Business Model Innovation -- Not Bailouts -- Will Save Struggling State-Owned Enterprises (Kosheek Sewchurran, UCT Graduate School of Business)

Renowned American psychologist Abraham Maslow said, "One can choose to go back toward safety or forward toward growth. Growth must be chosen again and again; fear must be overcome again and again."

In the world of business, it can be very challenging to overcome fear. Too often the response to uncertainty is a knee jerk reaction to fix the problem, patch up the hole, fire the scapegoat; anything but sit with the problem and see what novel solutions emerge. In times of crisis, organisations do not want to take risks; they want to stay safe and comfortable.

Take South Africa's (SA) national air carrier South African Airlines (SAA) for example, in its 80-year existence it has stared down the barrel of a massive funding shortfall more than once, but on each occasion, the response to this has come in the form of a financial bail-out or loan. It is a familiar refrain that was repeated in the Minister of Finance, Nhlanhla Nene's 2015 budget speech where he confirmed an additional R6.488-billion guarantee for the cash strapped airline.

Similarly, SA's power utility, Eskom is set to receive R23 billion and also benefit from additional electricity levy in this financial year.

While undoubtedly SA's ailing State-Owned-Enterprises (SOEs) need these financial bail-outs in the short-term – they are not ever going to be part of the long-term solution.

Minister Nene said that the guarantees will not be "automatic" and will depend on SOEs demonstrating sound business plans, strong internal governance and greater efficiencies. I would add that they should also depend on their ability to be open to change the way they operate on a daily basis.

What the leaders in struggling organisations need to understand is that no expensive policy, consultant or big bailout can replace the incredible power of shifting an organisation's thinking from problem-solving to solution-finding mode. And the best time to do this is when the organisation is in crisis. The raw material for innovation is the experience of disharmony or anomaly that a crisis creates. To make productive use of these experiences, however, leaders need a degree of mastery in design thinking, integrative thinking and systems thinking. [Read more >>](#)



From Global Network Perspectives
Water to Wine: The Case for Wine Amidst the California Drought

The most recent California drought is in its fourth year. Although some point to the potential savior of El Niño in the fall and winter, there continues to be enormous pressure on water conservation statewide. The latest

controversy — a legacy of California’s agricultural roots and antiquated water law — centers on senior water rights holders, most of whom are large agricultural interests in the San Joaquin Valley.

As a former resident for many years of the San Francisco Bay Area, I have watched the story develop with interest, various parties scratching out claim to the reduced river flows and diminishing groundwater. I have to admit that as a city dweller and environmentalist, I share the frustration with “Big Ag” and its apparent refusal to work in the interest of the greater good. This feeling grows when I read reports that some companies are using water in California to grow almonds, which represent a classic economic case of environmental externalities: the almonds have a high profit margin because the cost of water is not borne by the companies.

Almonds, which represent [about ten percent \(link is external\)](#) of California’s agricultural output (in dollar value), have thus been [at the center \(link is external\)](#) of a very public (and often heated) conversation on water use. The production of wine grapes, though, has gotten much less press of late — with the exception of stories like “[California Drought Produces Tastier Wine Grapes. \(link is external\)](#)” And that’s too bad. A close look at the increasingly progressive practices of California wine production could provide a valuable set of solutions to the state’s water use in times of drought.

At first blush, certainly, wine seems to fall into the same bucket as almonds; a self-professed environmental activist must cringe at growing grapes for wine. After all, they’re not an essential food product. Nobody needs a glass of wine. And yet grapes, which represent a slightly larger percentage of California’s agricultural revenue than almonds, are often grown in some of the state’s most water-stressed areas.

[Read more >>](#)



From Global Network Perspectives **How Should Companies Evolve? (Laurence Capron, INSEAD)**

Companies must continually evolve to stay relevant, innovative, and competitive. Choosing the right approach to adaptation and growth is difficult; as a result, many companies find a

model and stick with it, even in contexts where it might not be effective. In [Build, Borrow, or Buy: Solving the Growth Dilemma \(link is external\)](#), Laurence Capron of INSEAD, a member school in the Global Network for Advanced Management, and Will Mitchell of the Rotman School of Management outline an approach mixing organic growth (“build”), licensing and partnerships (“borrow”), and acquisitions (“buy”). Capron discussed the model with *Global Network Perspectives*. [Read the interview >>](#)



From Global Network Perspectives **How Does the Changing Price of Oil Affect Your Economy, Now and Potentially in the Future?**

During the past decade, the price of oil has traveled from \$60 per barrel to a peak of \$146 in 2009 and subsequently descended again to below \$50 in 2015. While oil is sold in a global market, the effect of rising or falling prices can be very different for importing and exporting countries. *Global Network Perspectives* asked experts across the

Global Network for Advanced Management how the changing price of oil impacts their economies. [Read more >>](#)

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Your news?

Please send news from your school for the next edition of this newsletter to elizabeth.wilkinson@yale.edu.