

Course Number: MGT 420  
Course Title: Management in Latin America  
Semester/Year: Fall 2015  
Classroom Day & Time: Tuesday evenings, 7:00-9:30pm  
Classroom Location: TBD  
Instructor: Sam H. Leal Fouad  
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Office Hours: TBD  
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## **I. Course Objectives**

This course will survey and explore Latin America business markets from various management perspectives. The initial phase will provide an overview of the Latin America business and management setting, the second phase will review businesses operating in Latin America, the third phase will explore selected business issues for management in Latin America and the final phase will focus more specifically on U.S. and New Mexico aspects of Management in Latin America. The goal is for students to gain knowledge - and self-select topics for further analyses - of Latin American markets, Latin businesses and major issues for management in Latin America, especially from a U.S. and New Mexico perspective.

The course design and objectives described above will be delivered through a combination of class discussions of the readings and case studies, a total of four essays on topics to be self-selected by each student, and guest speakers or other sources. Weekly readings for the course will include academic and business publications – and case studies will be used for various weeks - and there will also be discussion of contemporaneous press coverage. The written assignments will include short essays (1-2 pages) due at the end of the first, second and third phases of the course, plus a slightly longer essay (2-4 pages) due at the conclusion of the course – with students to self-select topics for each essay.

## **II. Suggested Reading**

This course includes a significant volume of required and recommended reading, plus case studies. The sources include one primary textbook, additional academic, non-governmental organization and business publications, case studies and contemporaneous press coverage. Students are encouraged to generally understand why the topics and readings have been offered for consideration and to self-select their focus on the required reading materials and case studies as well as

other readings of interest. During the semester, adjustments might be made to the materials based on the expressed interests of the students.

Class discussions will explore the theoretical and practical implications of the required readings and case studies, as well as other readings and perspectives self-selected by students or presented by guest speakers. The use of case studies will help students explore issues, roles and results that occur in the practice of management in Latin America.

### **III. Grading:**

Grades will be determined primarily based on the results of the four essays, with the first, second and third essays accounting for approximately 67% and the final essay accounting for approximately 33%. Other factors to be considered as a “- or nil or + or ++” in determining final grades will include attendance, preparedness and participation during class discussions as well as effort, innovation and improvement in essay assignments.

**IV. Academic Integrity:** Anderson School of Management faculty, staff and students commit to values of trust, honesty, integrity, and accountability. We will not tolerate academic dishonesty. By enrolling in any course at Anderson, the student accepts the Anderson Academic Honesty Code and affirms the following pledge: “I will not lie, cheat, fabricate, plagiarize or use any other dishonest means to gain unfair academic advantage.” For full text of ASM’s academic honesty code, please visit <http://www.mgt.unm.edu/honesty>

**V. ADA Statement:** Reasonable accommodations will be given to any individual with a legitimate disability. Frequently, we will need to coordinate accommodating activities with other offices on campus. Course materials can be made available in alternative formats.

### **VI. Course Content:**

#### **A. Part One: Overview of Latin America’s Markets and Management Issues**

*Week 1: Overview and Introduction of Course*

Open class discussion

*Week 2: Latin America’s Economies and Industrial Policies*

#### **Required reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 1**, The Economic Turnaround, **Business in Emerging Latin America** (Routledge 2015) pgs 3-20

Iakova, Dora M.; Cubeddu, Luis M.; Adler, Gustavo; Sosa, Sebastian, Chapter 1, Latin America: Rising to New Challenges, *Latin America: New Challenges to Growth and Stability*, (IMF 2015) pages 3-16

*Latin America's Challenge: A Fresh Look At Industrial Policy*, Jerry Haar , Journal of Economics, Finance and Administrative Science 20 (2015) 72

### *Week 3: Latin America's Business Markets*

#### **Required reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 3**, The Competitive Environment of Latin America, **Business in Emerging Latin America** (Routledge 2015) pgs 47-71

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 4**, The Latin American Consumer Market, **Business in Emerging Latin America** (Routledge 2015) pgs 74-96

Roberto S. Vassolo, Julio O. De Castro, and Luis R. Gomez-Mejia, *Managing in Latin America: Common Issues and a Research Agenda*, Academy of Management Perspectives, November 2011, Pages 22-36

**Case Study One:** *SaferTaxi: Connecting Taxis and Passengers in South America* Harvard Business School Case Study, Peter A. Coles, Benjamin Edelman

### *Week 4: Latin America Management Issues*

#### **Required Reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 6**, *Latin American Business Culture*, **Business in Emerging Latin America** (Routledge 2015) pgs 125-144

P.R. Feldman, **Chapter 5**, *Management in Latin America: Where are the Problems?*, **Management in Latin America: Threats and Opportunities in the Globalized World**, (Springer 2014), pages 31-38

**Case Study Two:** *Arcos Dorados, How to Lead and From Where?*

Harvard Business School Case Study, Krishna G. Palepu; Gustavo A. Herrero

**Recommended Reading:**

Rafael Alcadipani and Miguel P. Caldas, *Americanizing Brazilian Management*, *Critical Perspectives on International Business*, Vol. 8 Issue 1 (2012), pages 37 - 55

**ESSAY ONE (self-select topic from classes 2-4)**

**Part 2: Latin Businesses**

*Week 5: Latin American State-Owned Enterprises*

**Required Reading:**

Aldo Musacchio and Sergio Lazzarini, **Chapter 2**, *The Rise and Fall of Leviathan as Entrepreneur, Reinventing State Capitalism: Leviathan in Business, Brazil and Beyond* (pages 23-56)

Andreas Nölke, Conclusion, *State Support for Emerging Market Multinationals, Multinational Corporations from Emerging Markets State Capitalism 3.0* (2014) pages 187 – 198.

**Case Study Three (Class to select):** *Vale: Global Expansion in the Challenging World of Mining*, or *Petroleos Mexicanos (Pemex)*

Harvard Business School Case Study, Tarun Khanna; Aldo Musacchio; Ricardo Reisen de Pinho, or Michael Moffett

*Week 6: Latin American Family-Controlled Groups and MNCs*

**Required Reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 9**, *Global Latinas and National Champions, Business in Emerging Latin America* (Routledge 2015) pgs 195-230

**Chapter 2**, *The Decade of the Multilatinas*, **The Decade of Multilatinas** (Pages 43-73)

Jesus Saenz Gonzalez, Emma Garcia-Meca, *Does Corporate Governance Influence*

*Earnings Management in Latin American Markets?* Journal of Business Ethics (2014)  
121, pages 419–440

**Case Study Four:**

*Carvajal S.A.: Building on a Century of Business Growth and Family Values*  
Harvard Business School Case Study, Ivan Lansberg; Mary Alice Crump; Sachin  
Waikar

*Week 7: Inbound MNCs and their Latin American Businesses*

**Required Reading:**

Dirk Holtbrügge and Anastasia Baron, *Market Entry Strategies in Emerging Markets: An Institutional Study in the BRIC Countries*, **Thunderbird International Business Review**, pages 237-252, Vol. 55, No. 3 May/June 2013

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 8**, Company Strategies for Firms from Outside the Region, **Business in Emerging Latin America** (Routledge 2015) pgs 169-194

*South-South Special: What A Globalizing China Means For Latam*, **HSBC Global Research** (Nov 2013)

**Case Study Five:**

*Phillips Healthcare Latin America*  
Harvard Business School Case Study, Sunil Gupta

*Week 8: Entrepreneurship in Latin America*

**Required Reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 10**, *Entrepreneurship in Latin America*, **Business in Emerging Latin America** (Routledge 2015) pgs 213-230

Claude Marcotte, *Entrepreneurship and Innovation in Emerging Economies*, **International Journal of Entrepreneurial Behavior & Research**, (2014) Vol. 20 Issue 1 pp. 42 – 65

**ESSAY TWO (self-select topic from classes 5-8)**

## **C. Part Three: Selected Issues for Latin American Management**

*Week 9: Latin American capital markets liquidity and corporate governance*

### **Required Reading:**

Tatiana Didier, Sergio L Schmukler, **Chapter 1**, *Financial Development in Latin America and the Caribbean: Stylized Facts and the Road Ahead*, **Emerging issues in Financial Development: Lessons from Latin America** (World Bank 2014), pages 25-85

**Chapter 5**, *Private Equity Investments in Emerging Markets, National Governance, and Geographic Distance: The Case of Latin America, 1996-2009*, **Internationalization, Innovation and Sustainability of MNCs in Latin America** (pages 103-123)

### **Recommended Reading:**

Daniel Tschopp, Ronald J. Huefner, *Comparing the Evolution of CSR Reporting to that of Financial Reporting*, *Journal of Business Ethics* (2015) 127, pages 565–577

Veronica de Fatima Santana, Alex Augusto Timm Rathke, Isabel M. E. Costa Lourenco and Flavia Zoboli Dalmacio, *IFRS Accounting Quality in Latin America: A Comparison with Anglo-Saxon and Continental European Countries and the Role of Cross-Listing in the U.S.*, (2014), pages 1-24

Estevao Teixeira Latini, Joaquim Rubens Fontes-Filho and Eric L. Chambers, *Private Equity And Corporate Governance: Managing Brazilian SMEs*, *Corporate Governance*, Vol. 14 NO. 2 (2014), pp. 220-237

*Week 10: Operational Excellence in Supply Chains and Shared Services in Latin America*

### **Required Reading:**

Juan S. Blyde Editor, **Chapter 2**, *The Participation of Latin America and the Caribbean in International Supply Chains*, **Synchronized Factories: Latin America and the Caribbean in the Era of Global Value Chains** (Springer 2014), pages 13-28.

Marcelo Bronzo, Paulo Tarso Vilela de Resende, Marcos Paulo Valadares

de Oliveira, Kevin P. McCormack, Paulo Renato de Sousa, Reinaldo Lopes Ferreira, *Improving Performance Aligning Business Analytics with Process Orientation*, **International Journal of Information Management** 33 (2013) 300–307

**Case Study (Class to select):** *MIS America Grupo Santander* or *Rethinking Distribution Logistics at VASA, Pilkington*

Harvard Business School Case Study, Josep Bisbe; Josep Lluís Cano Giner or Julio Sanchez-Loppacher; Marcelo Pancotto; Maximiliano Fernandez Vera

### **Recommended Reading:**

*Management Tools and Trends 2013*, **Bain & Company**

*Trends in Shared Services: Unlocking the Full Potential*, and *Integrated Business Services: Taking Shared Services to New Heights of High Performance*, **Accenture Research Reports 2011**

*Nearshore Attraction: Latin America Beckons as a Global Outsourcing Destination (2009)*, **KPMG International**

### *Week 11: Talent management in Latin America*

### **Required Reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 7**, *Talent Management in Latin America*, **Business in Emerging Latin America** (Routledge 2015) pgs 145-165

William Newburry, Naomi A. Gardberg, Juan I. Sanchez, *Employer Attractiveness in Latin America: The Association Among Foreignness, Internationalization and Talent Recruitment*, *Journal of International Management* 20 (2014), pages 327–344

Nathalie Castano, Mary F. Sully de Luque, Tara Wernsing, Enrique Ogliastri, Rachel Gabel Shemuel, Rosa María Fuch, Jose Antonio Robles-Flores, *El Jefe: Differences In Expected Leadership Behaviors Across Latin American Countries*, *Journal of World Business* 50 (2015) 584–597

**Case Study:** *Atento: Managing the Employee Lifecycle in Brazil*

Harvard Business School Case Study, F. Asis Martínez-Jerez; Pablo Casas-Arce; Christopher D. Ittner; Joshua Petersel

### **Recommended reading:**

*2014 Global Human Capital Trends, Deloitte Bersin, (pages 2-146)*

**ESSAY Three (self-select topic from classes 9-11)**

**D. Part Four: U.S. and New Mexico Focus on Latin American Management**

*Week 12: U.S. and N.M. Foreign Trade with Latin America*

**Required Reading:**

J. F. Hornbeck, Associate Director, Patri Inc., *US-Latin America Trade and Investment in the 21st Century: What's Next for Deepening Integration?*, Inter-American Dialogue (2014), pages 1-20.

*Week 13: U.S. and N.M. Foreign Direct Investment in Latin America*

**Required Reading:**

J. F. Hornbeck, Associate Director, Patri Inc., *US-Latin America Trade and Investment in the 21st Century: What's Next for Deepening Integration?*, Inter-American Dialogue (2014), pages 1-20.

Other readings, cases and speakers TBD

*Week 14: Iberia-Latin American Trade and Direct Investment in the U.S. and N.M*

**Required Reading:**

Dinah Walker, Analyst, *Quarterly Update: Foreign Ownership of U.S. Assets*, Council on Foreign Relations Center for Geopolitical Studies (November 2014), pages 1-4

*Foreign Direct Investment in the United States: 2014 Report*, Organization for International Investment (2015), pages 2-12

Other readings, cases and speakers TBD

*Week 15: Other New Mexico Perspectives on Latin American Management*

Readings, cases and speakers TBD



*Week 16: Forecasts for Latin American Management and Closing Summary*

**Required Reading:**

Fernando Robles, Nila Wiese and Gladys Torres-Baumgarten, **Chapter 12**, *The Future of Business in Latin America*, **Business in Emerging Latin America** (Routledge 2015) pgs 246-256

**FINAL ESSAY (self-select topic from classes 12-16)**