IBC Encourages Faculty to Expand Global Knowledge Through FDIB Programs

Faculty Development in International Business (FDIB) programs take faculty overseas to gain firsthand business, economic, and cultural information and experience. “The University of Pittsburgh’s IBC co-sponsors several FDIB programs with other CIBERs,” says Director Dr. Josephine Olson. “We organize and lead an annual trip to Central and Eastern Europe, and we also co-sponsor programs in China and Africa.” The IBC’s annual program on European Countries in Transition, which has been offered for the past five years, attracts ten to fifteen faculty members from colleges and universities in Southwestern Pennsylvania and across the country.

Countries in Central and Eastern Europe are moving at varying rates of speed toward open-market economies, membership in the European Union (EU), and democratic republics. To obtain a better understanding of these transitional economies, participants in the IBC’s 2007 program visited Bulgaria, Croatia, and the Czech Republic with Dr. Robert Donnorummo, an historian.

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Engineering and Business Freshmen Broaden Their Horizons Through the Plus3 Program

Many engineering and business students don’t feel that they can take the time from a challenging academic schedule to study abroad—nor do they recognize the competitive advantages in the marketplace that such an experience will give them. To change these attitudes, the University of Pittsburgh’s School of Engineering, the College of Business Administration (CBA), the Study Abroad Office, and the IBC have sponsored a collaborative study abroad program for engineering and business freshmen at the start of every summer: the Plus3 program. This program is a three-credit, optional add-on to CBA’s required Managing Complex Environments course.

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and political economist specializing in Russia and Eastern Europe. “Our goal is for participants to develop an understanding of regional and country-specific business and economic issues,” says Olson. The FDIB trip involved lectures and discussions on economic and business conditions along with company, governmental, and cultural visits.

“We want participating faculty members to experience the evolving economies of Eastern Europe firsthand,” says Olson. “It is fascinating to observe that as these former Communist countries experiment with an increasing degree of capitalism, some development towards a democratic government and an established rule of law can be seen as well.” She notes that many of the Eastern European countries that the IBC-led groups have visited over the past five years struggle with issues such as lack of government transparency, failing or inadequate infrastructure, and the enormous effort to train the labor force to take responsibility for the quality of their work, as well as social problems such as the issue of the Roma (gypsies).

“It is a mistake for a business or an analyst to lump the countries of Central, Eastern and South-eastern Europe together,” Olson adds. “The region is by no means homogeneous. Each of these former members or satellites of the Soviet Union started on the path to capitalism with very different historical, geographical and cultural experiences, and they are moving forward with varying rates of success. For example, although Bulgaria joined the EU in January of this year, the country still wrestles with serious problems of infrastructure, organized crime, corruption, lack of government transparency, pollution, and social services like education and healthcare. And these countries face the issue of how to incorporate the Roma—many of whom still wander the country in tribes and clans—into the mainstream of society.”

“My objectives were to learn how these FDIB trips work, to network with business faculty colleagues, and to learn about the cultural and historical background of Central and Eastern European countries,” says Dr. Robin Poston, University of Memphis, Tennessee. Dr. Poston’s research focuses on understanding how global partners work together to deliver credibility information in decision support systems, web-based knowledge management applications, recommender and feedback systems, Internet-based dissemination of information, and systems testing management. “I got great exposure to local, government, and academic perspectives on the three countries showcased on our 2007 trip. The experience certainly helped prepare me to teach more internationally focused courses. I also expect it to assist me develop more internationally based teaching relationships between my university and others.”

Dr. Andrew Markley, Grove City College, Grove City, Pennsylvania, has worked extensively in Western Europe and Russia, and was eager to participate in the 2007 trip to Bulgaria, Croatia and the Czech Republic in order to round out his knowledge of these countries. He reported that he was able to explore some aspects of the issue of corporate social responsibility in each country. “With this experience, I plan to develop case studies to use in class, develop topics for student research and explore possibilities for student trips to this region,” he says. He adds that he hopes that this experience will enable him both to include these countries in his research and to return to lecture at the universities that the group visited.
In addition to sponsoring and running the Faculty Development program in Central and Eastern Europe, Pitt's IBC sponsors faculty on other CIBER programs. In January 2007, Dr. William King, University Professor of Business Administration, Joseph M. Katz Graduate School of Business, attended the University of Denver's FDIB in China that focused on the Pearl River Delta, Hong Kong and Shanghai.

“We visited a diverse set of companies: from steel mills to piano manufacturers to ball-bearing manufacturers,” says Dr. King. “It gave me a better understanding of the role that China plays in the international trade environment as well as a little insight into the Chinese way of thinking. I came away with the conviction that China is a formidable competitor. The Chinese adapt American and Western technology very well and very quickly and then use it at lower cost to compete with us.”

This trip was Dr. King’s first FDIB program. “I was very impressed with the seriousness of the 30 participants,” he says. “Everyone was very interested in learning and in making use of the materials in their courses. The caliber of the participants was very high and the program was well run. I would recommend it to anybody.”

In late May 2007, the IBC sponsored Dr. Carrie Leana, Professor of Business Administration, the Katz School, and Dr. Assad Tavakoli, Professor and Interim Dean, School of Business & Economics, Fayetteville State University, North Carolina, to attend the University of South Carolina’s first annual FDIB program in South Africa and Kenya.

This was also Dr. Leana’s first FDIB trip. “It was an invaluable educational

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IBC Sponsors Faculty Trips to China and South Africa (cont.)

opportunity that I hope to transmit to my students through cases and discussions of the African economy and society,” she says. “I have been interested in Africa for many years and have read extensively about it, but the IBC-sponsored study trip really led me to look at Africa’s problems and opportunities through a very different lens. The faculty leaders were superb, the logistics management was excellent, and it was a pleasure to travel with, and learn from, the other faculty on the trip.”

The IDC Welcomes the Delegation from the United States of America
18 May 2007

CIBER-PDIB
China Trip 2007
and engineering's ENGR 12 course for freshmen. Its goal is to encourage business and engineering students to study foreign languages and to have a longer study abroad experience or do an international internship later in their academic career. Teams of business and engineering students work together on a research project involving two weeks of travel immediately after the spring term to one of four destinations: Santos, Brazil; Beijing, China; Valparaiso, Chile; or Augsburg, Germany. In 2005, the Plus3 program was the winner of the Andrew Heiskell Award for innovation in international education.

In May 2007, 91 students participated in this unique experience. “The program involves pre-departure workshops in language, economics, history and culture, followed by a busy two weeks abroad,” says IBC Associate Director Jacqueline Saslawski. “Once on the ground, students visit local companies to learn more about industry trends and business practices. Day trips to local historic or scenic areas are also included. The program concludes in the fall, when the students present their research projects. We consider the program a success when the students write that they are now inspired to learn a foreign language or plan future study abroad experiences.”

“I definitely think having international experience is extremely helpful if not crucial to your success as an engineer or businessperson in the United States,” says Pitt rising sophomore Julie Solar, who participated in the Brazil program last May. “Not only do you obtain an education and make valuable connections, but you gain a different perspective of the world and especially of the U.S. By going abroad, you can learn different techniques and solutions that Americans may not have discovered or utilized, which can lead to a more effective engineering or business process. I understand that the global economy is growing along with interdependence among nations. Having international experience aids you immensely when dealing with international consumers and corporations. As an industrial engineer, I will most likely see both engineering and business aspects in the workplace, and I hope to travel with my job. I plan on studying abroad for an entire semester later in my college career, and I hope to immerse myself in many more cultures and lifestyles that will enhance my overall education. I think every college student should go abroad, if not for education than just for the experience of being in a foreign country with different customs and culture.”

“Plus 3 Chile gave me the chance to utilize the Spanish I had learned in all of my schooling,” says Pitt College of Business Administration student Adam Jones. “When I went to Chile, I put myself in situations that forced me to use Spanish, and by speaking it repetitively, I became somewhat fluent. I am now fully capable of talking to anyone in Spanish. In addition to making me somewhat fluent in a foreign language, my experience with Plus3 Chile was amongst the best of my life. I met amazing people there and got to live in and experience a completely different culture for two weeks and earned credit for it. I can honestly say I grew a lot while I was there.”

The IBC, in conjunction with the European Studies Center, sponsors a series on the impact of the single market in Europe on transatlantic trade. This series is focused on specific industries and in September 2006 it dealt with steel. Dr. Ravi Madhavan of the Joseph M. Katz Graduate School of Business, James D. Lawrence of U.S. Steel Corporation, and Tony Taccone of First River Consulting participated in the panel discussion “The Steel Industry in the 21st Century: A Trans-Atlantic and Global View.” Dr. Madhavan said that “until a few years ago, the main story in the steel industry was that of nimble mini-mills versus large, integrated steel producers. However, the new story is that of globalization, with the emergence of steel multinationals for the first time in history.”

In his analysis of the steel industry, Dr. Madhavan suggested that the steel industry has gone through three stages of globalization: exports, strategic alliances, and finally, mergers and acquisitions aimed at securing economies of scale and a global footprint. “An interesting question is why the steel industry was so late to the globalization party, unlike the aluminum industry, which has been global for decades,” he noted. Based on an ongoing field study, Dr. Madhavan suggested some key elements that explain why the steel industry globalized when it did: (1) timing (a “perfect storm” of contributing events such as increasing demand from the BRIC nations and the bankruptcy-led restructuring of the steel industry in the West); (2) people (specific leaders such as Laxmi Mittal of Arcelor Mittal, who attempted to redraw taken-for-granted industry boundaries); and (3) capabilities (steel producers in other countries beginning to look for greener pastures once they have mastered technologies and domestic markets).

Looking forward, the panel members suggested that U.S. and European steelmakers will continue to face both challenges and opportunities as their industry continues to globalize. Dr. Madhavan pointed out that “there has been a change in the center of gravity of the steel industry, with production moving away from developed countries to the developing countries. For example, China produces close to 40% of all steel today.” In such a global scenario, U.S. and European steelmakers need to make some hard strategic choices if they are to remain competitive in this vitally important industry.

About the IBC

Founded in 1990 as a joint venture of the Joseph M. Katz Graduate School of Business and the University Center for International Studies, the International Business Center (IBC) is a unique resource that develops, operates and supports programs designed to build international competence and expertise in business students, faculty and practitioners, and that helps businesses enhance their international competitiveness. The IBC is one of thirty-one Centers for International Business Education and Research (CIBERs) administered by the U.S. Department of Education under Title VI, Part B of the Higher Education Act of 1965. The CIBER network links the manpower and technological needs of the United States business community with the international education, language training, and research capacities of universities across the country. The thirty-one centers serve as regional and national resources to businesspeople, students, and teachers at all levels.

The goal of the International Business Center is to provide tangible benefits in the area of international business to the Western Pennsylvania community—business, schools, colleges, and universities—as well as to the faculty of the University and its students. Over the years, the International Business Center has used the grant funds to support faculty and doctoral research, undergraduate study abroad scholarships, faculty and staff foreign language instruction, conferences on international business, programming for regional businesses, and programs for faculty and students at regional colleges and universities.
High School Students Compete to Sell Baby Food in Turkey

Strained peas and squash, oatmeal and peaches—on May 3 the IBC, the University of Pittsburgh College of Business Administration, the H.J. Heinz Company and the Cultural Communications Alliance (CCA) challenged four Pittsburgh-area high school teams to develop marketing plans to help launch sales of Heinz baby food in Turkey. Students from Deer Lakes, Franklin Regional, Gateway, and Taylor Allderdice High Schools participated in a regional marketing plan competition to launch sales of the convenient, nutritious product.

CCA's international marketing plan competitions demonstrate to high school students the importance of foreign language skills when conducting business in a global economy and help these students become more culturally aware. To be eligible to compete, high school students must be enrolled in a foreign language course or have completed four years of foreign language study. Students form teams of no more than five members and first compete against teams from within their high school. The winning teams advance to a regional competition.

Teams from the 2007 Heinz group worked with mentors from Pitt and Heinz to develop their international marketing plans. The interscholastic Heinz marketing competition was judged by Pitt Professor of Marketing Lawrence Feick; Pitt Assistant Professor of Marketing Tansev Geylani; Bora Caliskan, director of operations for Goodwill Industries; Eli Diacopoulos, global product marketing, Respironics; Michael Hsu, president and COO, Heinz Foodservice; and Sami Iren, a research staff member at Seagate Technology.

The winner of the 2007 Heinz interscholastic marketing plan competition was the team from Deer Lakes High School. Team members included Frieda Becker, Breanne Britton, Joey Calanese, Leah Kofmehl, and Megan Olinski. The team's teacher-advisor was Margaret Carlson. Franklin Regional was the runner-up in the May 3 competition.
The IBC again co-sponsored Pittsburgh’s Academic WorldQuest, a high school competition on world affairs knowledge, on February 7, 2007. Academic WorldQuest is an annual knowledge-based competition with questions focusing on international affairs, current events, the global economy, geography, world history, and general knowledge about the world. The competition, also sponsored by Pittsburgh’s World Affairs Council, drew 40 teams from the Pittsburgh area. Placing first was Upper St. Clair High School; second, Central Catholic High School; and third, Taylor Allderdice High School. The winning team traveled to Washington, D.C., in March to compete against 43 other high school teams from across the country. The next Pittsburgh Academic WorldQuest will be held on February 5, 2008.

In November 2006, the IBC also co-sponsored Community WorldQuest, an international knowledge trivia game that allows players to team-build, network, and enjoy an evening of fun, food, and friendly competition. Each year, corporations, colleges, and communities come together to test their global IQs. This high-profile event at the Omni William Penn Hotel, coordinated by the World Affairs Council of Pittsburgh, includes members of the Pittsburgh business and growing international communities. Winning first place last fall was the three-person team from the University of Pittsburgh School of Law. The next WorldQuest competition will be held on October 17, 2007.
Get to Know the University of Pittsburgh’s IBC Staff

IBC Director Dr. Josephine “Jo” Olson is Professor of Business Administration at the Joseph M. Katz Graduate School of Business, University of Pittsburgh, and she is an Associate of the Centers for Global Studies, Latin American Studies, Russian and Eastern European Studies, Asian Studies, and the European Studies Center, European Union Center of Excellence. Dr. Olson has an A.B. in economics from Wellesley College and a Ph.D. in economics from Brown University. She served as Interim Director of the International Business Center, the University of Pittsburgh CIBER, from 2006 to 2007, and was appointed the Director of the IBC as of October 1, 2007. Professor Olson teaches business economics and international economics courses in the undergraduate and MBA programs. Her previous administrative experience includes Associate Dean for Faculty, Katz School; Academic Dean and Interim CEO, Czech Management Center; and MBA Director, Katz School. She was a Fulbright Fellow at the International Management Center in Budapest, Hungary, and she was Visiting Professor of Economics at Nyenrode University, the Netherlands and at the Czech Management Center. She has taught short courses at the Universidad de Pacifico in Lima, Peru and at the Quayaquil (Ecuador) campus of Universidad Tecnica de Federico Santa Maria (Chile). She has led a number of short study abroad programs for Executive MBAs and undergraduates to countries such as Chile, France, the Czech Republic, Hungary and Poland. Her research is in the areas of careers of men and women in business and in international economics.

“I really enjoy being Director of the IBC because it allows me to promote the importance of international business and an understanding of foreign languages and cultures to all parts of the Pittsburgh community: local schools, the University itself and other local colleges, and the business community,” Olson says. “I am deeply committed to enabling our students and faculty to expand their awareness of the importance of global interactions.”

Associate Director Jacqueline Saslawski holds an M.A. in International Affairs from Pitt's Graduate School of Public and International Affairs (GSPIA), obtained a Graduate Certificate in West European studies, and holds a B.A. in economics, also from the University of Pittsburgh. She is currently working on her J.D. at the Duquesne University School of Law.

Saslawski coordinates the numerous IBC projects, including faculty development trips, conferences, seminars, panels, scholarship awards and faculty grants and outreach. She has more than five years of professional experience at the University of Pittsburgh. Prior to joining the IBC in July 2006, Saslawski was the Manager of International and Executive Education at GSPIA, where, among other duties, she coordinated the Pittsburgh-based activities of GSPIA’s post-graduate degree programs in public policy and management in Skopje, Macedonia. Before that post, she worked at the Asian Studies Center at the University Center for International Studies (UCIS).

Executive Assistant Janet Kosko has worked at the IBC for the past eight years. Before joining the IBC, Kosko worked for the Dean’s Office at the School of Pharmacy. Her combined University work experience totals 20 years of service. Currently she is in charge of the daily operations of the IBC and she maintains the IBC Web site.

Budget Coordinator Michelle Jarvis earned her B.S. in business administration from the University of Pittsburgh. Prior to joining the IBC in 2006, Jarvis had five years of professional experience in the University's Office of Institutional Advancement. Jarvis also works 80% for UCIS as Financial Administrator and Payroll/Personnel Coordinator.

Student Worker Caitlin Parke is currently a senior in the University of Pittsburgh College of Business Administration, majoring in accounting and marketing. Parke has worked with the IBC for two years and is also the President of the Society for International Business. This summer she studied in Paris, France.
IBC’s Doctoral International Grants Program

The IBC supports international business research and conference travel for doctoral students, including sending doctoral students to participate in the CIBER-organized development programs in international business, supporting student attendance at professional meetings to present papers on international business topics, and providing support for dissertation research on international business topics. In the 2006–07 academic year, the IBC awarded research or travel grants to five doctoral students. Of these five, two had multiple papers accepted to several conferences across the U.S.

Akie Iriyama presented “Call Options & Put Options in International Equity Partnerships” at the Strategic Management Society meetings in Vienna, Austria last fall. In August 2007, he presented a paper at the Academy of Management meetings in Philadelphia titled “Ex-post Local Partner Buyout and Foreign Partner Mortality in International Joint Ventures: Explanation by Real Options Theory.”

Wei Lei (Stone) Shi, also funded by the IBC, is presenting five papers this summer and fall, four of them on international topics. In June at the Academy of International Business in Indianapolis, Indiana, he presented a paper co-authored with Lei Li and Dan Li titled “Internationalization, OLI Advantages and Performance of Small- and Medium-Sized Enterprises in the U.S. Pharmaceutical Industry.” At the Academy of Management meetings in August, Shi presented “Rhythm and Synchronization of Firms’ M&A and Alliance Behaviors: An Entrainment View,” (co-authored with Dr. John Prescott of the Katz School) and “Cross-Border Mega-Mergers as Socio-Cognitive Events: Network Position and Foreign Direct Investment (co-authored with Dr. Ravi Madhavan, Katz School) as well as “Role of the Middle Management in the Strategic Making Process; Group Affiliation, Structural Holes and Tertius Iungens.” Finally, at the meeting of the Strategic Management Society in October, he will present “The Typology of Sequence of Firms’ M&A and Alliance Behaviors: An Optimal Matching Analysis” (co-authored with Dr. Prescott).

Being supported by the IBC has contributed to Shi’s successes: His paper on “Rhythm and Synchronization of Firms” received the Academy of Management’s Business Policy and Strategy Division Best Paper Award, and this year he earned his third Best Reviewer Award.

Larry Feick, Former IBC Director, Named Senior Director of UCIS

Dr. Lawrence “Larry” Feick, director of the International Business Center from 1999 to 2005, was recently named Senior Director of Pitt’s International Programs and Director of the University Center for International Studies (UCIS), effective August 1, 2007.

Dr. Feick is a Professor of Business Administration at the Joseph M. Katz Graduate School of Business at Pitt. He teaches marketing management and international marketing. His research includes work in international marketing (particularly cross-cultural consumer behavior), consumer information search, word-of-mouth influence, and the analysis of categorical data. He designed a variety of international programs and developed the award-winning Plus3 program, a joint business and engineering program, while he was director of the International Business Center.

In addition to serving as the director of the IBC, Dr. Feick, who has been a member of the Katz faculty since 1982, served as the interim dean and the associate dean of the Katz School. He has served as a consultant to a number of profit and nonprofit firms and has done extensive work in executive education. He is the co-author of Country Manager, an international marketing simulation game, and has published articles in a range of professional journals in marketing, psychology, and survey research, including the Journal of Consumer Research, Journal of Marketing, Journal of Marketing Research, International Journal of Research in Marketing, Psychological Bulletin, and Public Opinion Quarterly. He has served as president of the Association for International Business Education and Research and the Sheth Foundation.
Pittsburgh Regional Alliance Global Marketing Scorecard Project

The Pittsburgh Regional Alliance (PRA), an affiliate of the Allegheny Conference on Community Development, joined with the IBC to develop a Global Marketing Scorecard to track Southwestern Pennsylvania’s performance in the international business marketplace. “We’re seeking to better monitor our region’s export trends as well as to assist local companies in more effective business growth through exporting,” says Dr. Josephine Olson, IBC Director.

“From 2002 until 2004 we interviewed local companies to obtain a sense of how they competed in the international marketplace,” says Jim Futrell, vice president of market research and analysis with the Allegheny Conference. “In the 2006–07 year we used Pitt students to re-interview these small- to medium-sized companies to measure the effectiveness of their global marketing.”

Working with the PRA, the IBC conducted market research in the fall of 2006 among regional firms to determine the extent of international activity by firms in the Western Pennsylvania region. The three IBC/PRA interns, Victor Deane, Josh Krinock and Joe Salvatore, presented their findings to the public in December 2006.

This information, combined with other data, is used to create an international scorecard that measures many aspects of Pittsburgh-area firms’ exporting activities. A key element of this scorecard will be analyzing and reporting the results of an annual survey conducted among a select group of regional companies to determine their business behavior internationally, says Dr. Olson. “The survey results will be used to assess the region’s international business performance, identify potential clients that might need assistance, and determine programmatic changes to build on strengths and reduce competitive weaknesses.”
“The IBC funded my research twice, most recently for one of my dissertation essays, a study on how people donate when giving to U.S. versus international relief efforts—for example, differences in donations for Hurricane Katrina versus the tsunami relief," says Karen Page Winterich, who was recently awarded her Ph.D. from the Joseph M. Katz Graduate School of Business and who will be teaching consumer behavior at Texas A&M in the fall.

Page Winterich constructed a model of Internal Moral Identity, measuring the strength of students’ reactions to statements such as, “How important is it to you that moral behaviors such as being caring, compassionate, fair, generous, honest, kind, helpful, affect your behavior?” She gave the students five dollars each for them to either keep or to give to one or both of the relief efforts and measured their decisions.

She found that men with a higher sense of internal moral identity were more charitable to so-called “in” groups—that is to domestic charities—whereas women with a higher moral identity were equally likely to give to both in and out groups. Conversely, men with low moral identity gave equally to both groups while low-scoring women gave more to in groups and less to out groups. Her work, being revised for publication in the Journal of Consumer Research, is titled, “Conflicting Identities: The Effect of Gender Identity and Internal Moral Identity on Charitable Giving.”

“This research will enable charities such as the United Way or the Red Cross to fine-tune their marketing campaigns," says Page Winterich. “It shows that if they want to encourage donors to give for local relief efforts, their campaigns should focus less on creating feelings of general benevolence in the donors and more on specific needs than if their campaigns are to expand donations for international or far-away purposes.”

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