



Betting the House on Property

In recent years the housing markets in European countries have grown increasingly interrelated, and the commercial real estate market is no exception. But the global nature of property markets means that when real estate takes a hit, as it did in 2008, all the markets will feel it and react accordingly.

In his book, *European Real Estate Markets*, IESE Prof. José L. Suárez examines the dramatic events directly related to or deriving from the current real estate market slowdown and their ripple effects on international financial markets.

Suárez tackles the topic of the European real estate markets from four angles: He describes the main markets; the risk and return profile of real estate investment; indirect vehicles of investment; and the financial side of real estate activity.

Looking at European housing markets, he notes large differences in terms of the

types of dwellings, tenancy systems and government policy. Some countries, such as Denmark, view owning a home as a basic human right, while others, such as Austria, promote renting. Nordic countries, such as Sweden and Denmark, provide social housing to 22 and 23 percent of the population, respectively, while Spain covers just 12 percent of its population.

The book discusses commercial real estate, which offers considerable prospects for institutional investors. For example, the author documents an interesting investment trend in commercial real estate in Eastern Europe. While most cities have experienced decreases in yields, investors

have turned towards second-level zones or cit-

European Real Estate Markets

José L. Suárez
Palgrave Macmillan



Human Resources Best Practices in "Translatina" Firms

Latin America today faces a challenging business landscape. Although foreign investment in the region has risen, Asia's growing role in the global economy is a test to Latin America's competitiveness. At the same time, Translatina firms - Latin American trans-national companies - continue to grow in capital and influence.

Best Human Resource Practices in Latin America, a new book co-edited by Marta Elvira, visiting professor in IESE's Department of Managing People in Organizations, provides insights into the role and management of the human resource function in this region.

The collection explores the tensions between the strategic human resource management (HRM) policies demanded by global competition and local approaches rooted in Latin American cultural values. The book uses a selection of real-life case studies, plus quantitative data, to under-

stand the unique challenges of human resource management in Latin America, exploring;

- the relationship between political, economic and social forces and HR practices
- lessons from successful HRM practices in the region
- the role of HRM practices for business strategy in Latin America
- national development and HRM practices
- diverse specific social and cultural contexts

Written by academics with intimate knowledge of the Latin American cultural and business landscapes, this

Best Human Resource Practices in Latin America

Marta Elvira and Anabella Davila, co-editors
Routledge



IESE gave its knowledge portal, IESE Insight, a brand new look, with more content and improved features, earlier this year. We highlight the most popular features here.

The Orphanage

In 2007, for the first time in many years, the top-grossing movie of the year in Spain was a homegrown production. *The Orphanage*, a tightly budgeted horror movie, raked in nearly €5 million and attracted more than four million moviegoers. The film's producers, Joaquín Padró and Mar Targarona, were as surprised as anyone. Virtually overnight, the movie's success made its production company, *Rodar y Rodar*, the focus of the entire film industry.

IESE professors Sandra Sieber and Jaume Ribera, along with research assistant Lluís Rusalleda, identify the key factors that led to Spain's biggest cinematic success in recent history in the case study, "The Orphanage: Can Cinematic Success Be Systematized?"

Private-Equity

Over the past five years, private-equity firms have sustained above-average returns and shown exponential growth due to a favorable economic climate and four major drivers: cheap debt, rising profitability, escalating asset prices and the allocation of significant assets from institutional investors to private-equity funds.

Not anymore. The recent financial and economic meltdown has brought all that to a screeching halt.

In a new paper, "Get Ready for the Private-Equity Shakeout," published jointly by IESE and **The Boston Consulting Group (BCG)**, IESE Prof. Heinrich Liechtenstein and Munich-