Contents

List of Figures *vii*
List of Tables *ix*
About the Editor *xi*
About the Co-editors *xiii*

Introduction 1

PART 1 INTERNATIONAL OPERATIONS STRATEGY 5

Chapter 1 The Pacorini Case Study: Deliberate and Emergent Strategy 7
Alberto F. De Toni, Massimo Biotto and Lorenzo Ioan

Chapter 2 Electrolux Case Study: Competing on Time 33
Alberto F. De Toni, Cinzia Battistella and Lorenzo Ioan

PART 2 INTERNATIONAL NETWORKED ORGANIZATION STRATEGY 57

Chapter 3 Ford Case Study: The Network Evolution from Extended Enterprise to Virtual Enterprise 59
Ángel Ortiz-Bas, Rubén Darío Franco, Francisco-Cruz Lario and Pedro Gómez-Gasquet

Chapter 4 Dongfang Electric Corporation Case Study: Virtual Enterprise in Contract and Services Project 81
Jun Li, Naiyi Ye and Peng Guo

Chapter 5 Keraben Case Study: Service and Product Development 97
Faustino Alarcón, Rubén Darío Franco, M.M.E. Alemany and Francisco-Cruz Lario

PART 3 INTERNATIONAL NEW PRODUCT DEVELOPMENT 117

Chapter 6 Huawei Case Study: Country-specific Factors Affecting New Product Development 119
Yuan Li, Chenlu Zhang, Xiyao Li, and Heng Liu

Chapter 7 LIMA Case Study: Factors Affecting Research and the Development of New Products 133
Guido Nassimbeni, Marco Sartor and Damiano Soligo

Chapter 8 Monalisa Case Study: Energy-saving Needs in New Product Development 147
Lei Yang, Xuejun Xu, Jing Zha and Weiquan Zhang

PART 4 INTERNATIONAL SOURCING AND MANUFACTURING 165

Chapter 9 Flextronics Case Study: International Sourcing: Organizational Dilemmas 167
Yina Li, Xuejun Xu, Fei Ye and Qian Wang

Chapter 10 GREE Case Study: China Goes Abroad Too 179
Fei Ye, Xuejun Xu, Xiande Zhao and Zhiqiang Wei

Chapter 11 Danieli Case Study: Examples of Countertrade Agreements in China 195
Guido Nassimbeni, Marco Sartor and Anna Mucignat

PART 5 INTERNATIONAL LOGISTICS 207

Chapter 12 Illycaffè Case Study: Sustaining Quality from Green Coffee to the Cup: Logistics as a Competitive Weapon 209
Alberto F. De Toni, Massimo Biotto and Fabio Nonino

Chapter 13 DCHS Case Study: Third-party Logistics – Advanced Services to gain a Competitive Advantage 231
Hejun Zhuang, Xiande Zhao, Jeff Hoi Yan Yeung, Bin Zeng and Juan Hao

Chapter 14 Mazo Group Case Study: Effects of Changing Regulations and Costs on Networks and Transportation Modes 247
Pedro Gómez-Gasquet, Rubén Darío Franco, Eduardo Vicens-Salort and Rosa Navarro-Varela

Index *265*

List of Figures

1.1	The business model concept	13
1.2	The business model as outcome of strategic choices	14
1.3	Emergent and deliberate strategy	15
1.4	A company's strategic evolution path	15
1.5	Phase 1 (1930s–1950s): Pacorini business model A	24
1.6	Phase 2 (1960s): Pacorini business model B	25
1.7	Phase 3 (1970s): Pacorini business model C	25
1.8	Phase 4 (1980s–1990s): Pacorini business model D	26
1.9	Phase 5 (2000s): Pacorini business model E	27
1.10	Pacorini's strategic path	27
2.1	An illustration of operation systems	34
2.2	The matryoshka of strategy levels	35
2.3	Classification of time performances	37
2.4	The operations value chain	39
2.5	Product categories and business areas	42
2.6	Changes in demand characteristics over the last six years	44
2.7	The Electrolux manufacturing system temple	46
2.8	Assembly line length reduction	48
2.9	Production planning and control at Electrolux: 20-day response time (as is)	49
2.10	Production planning and control at Electrolux: eight-day response time (objective)	50
2.11	Materials handling: forklift versus milk-run	52
2.12	Assembly line levelling 'as is' (A) and 'objective' (B)	53
2.13	The operations value chain applied to Electrolux Professional	54
3.1	The extended enterprise model	60
3.2	The virtual enterprise model	62
3.3	The migration space	65
3.4	The migration path from an EE to a VE	66
3.5	Ford Spain operation	68
3.6	Ford's supply chain (inter-enterprise flows)	71
3.7	Migration path defined for Ford's supply chain pilot	73
4.1	Classification of organizational networks	82
4.2	The VE concept	84
4.3	The life cycle of VE	85
4.4	The organizational structure of DEC	86
4.5	The business network that exists between participants	89
4.6	Virtual business network of project management mode and executive organization	90

4.7	Major business-related flows between participants	92
5.1	Value chain scenarios; from traditional value chain (1) to collaborative selling chain (2)	102
5.2	The Keraben value chain	103
5.3	Keraben value map	104
5.4	Description of the problem	106
5.5	Actors involved in the EOM	107
5.6	The new collaborative network	107
5.7	Order management life cycle	109
5.8	Extended order management process	111
5.9	The collaborative order promising sub-process	112
6.1	Huawei's product position in the global market	122
6.2	Huawei's global operations	123
6.3	The stages of new product development in Huawei	124
6.4	Huawei's R&D spending 2001–2004	125
6.5	The distribution of employees in Huawei	126
8.1	The funnel model of the NPD process	148
8.2	A typical stage-gate process with five stages and five gates	149
8.3	The NPD flow chart	159
9.1	Flextronics' international sourcing locations	171
9.2	The location of Zhuhai and its neighbours	171
10.1	Gree's sales network	185
10.2	Gree's annual total sales revenue from 1991 to 2008	186
10.3	Gree's overseas sales revenue from 1991 to 2008	186
10.4	Brazil and Manaus	189
12.1	Classical government structures	210
12.2	Customer–supplier relations grid	211
12.3	Illy's coffee supply chain	218
12.4	World coffee-growing regions	219
12.5	Illy's practices for SCM coordination and quality assurance	223
12.6	The impact of cultural diffusion and sharing along the supply chain on SCC effort and costs	225
12.7	The effects of illy's knowledge, expertise and culture diffusion on product quality	225
13.1	DCHS' organization structure	237
13.2	Total volume and growth rate of China's logistics industry	238
13.3	The old supply chain of Almond Roca	242
13.4	The redesigned supply chain of Almond Roca	242
13.5	The old logistic flow of La Cafetière products	243
13.6	The new logistics network of La Cafetière products	245
14.1	Mind map of influences in tactical network design	250
14.2	An example of the route from Le Boulou to Bettembourg	257
14.3	Schedules in a typical trip from the Valencia area to centre Europe	258

List of Tables

I.1	The structure of the book	2
1.1	Three generic strategies	9
1.2	Pacorini's strategic milestones	23
1.3	Pacorini's strategy evolution	23
2.1	Electrolux consolidated results: three-year review	41
2.2	The modular cooking platform at Electrolux Professional	43
3.1	Summary of characteristics of the extended enterprise concept	61
3.2	Summary of characteristics of the virtual enterprise concept	63
5.1	Characteristics of the concepts cooperation, coordination and collaboration	99
6.1	Huawei's increasing volume of contract sales	122
6.2	Huawei's main R&D centers	126
10.1	Host country determinants of FDI	184
11.1	Major forms of countertrading: main features (based on the literature review)	199
14.1	Transport mode characteristics	251
14.2	Performance of route by road only vs by intermodal transport	259