

ZAGREBAČKA ŠKOLA
EKONOMIJE I MANAGEMENTA



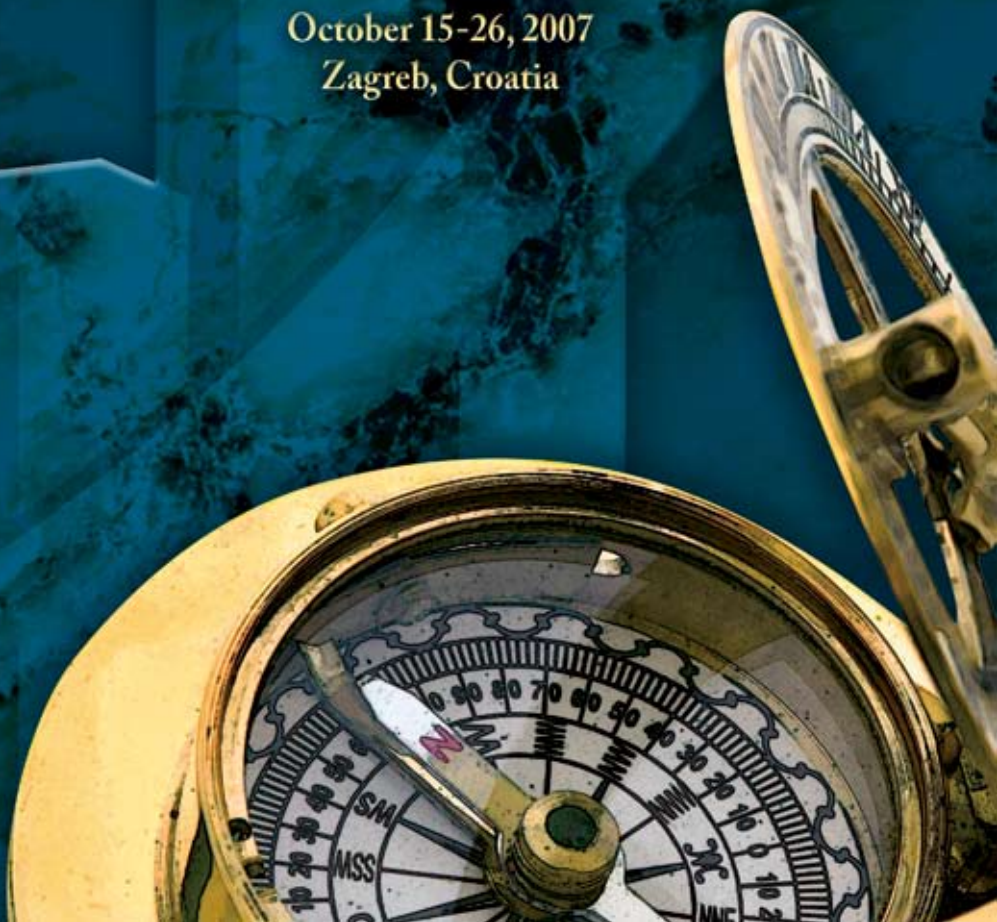
ZAGREB SCHOOL OF
ECONOMICS AND MANAGEMENT



THE WILLIAM DAVIDSON INSTITUTE
AT THE UNIVERSITY OF MICHIGAN BUSINESS SCHOOL

General Management Program 2007

October 15-26, 2007
Zagreb, Croatia



Program Overview

The General Management Program is an intensive, two-week executive education program designed for high potential and senior-level managers. It is organized by the William Davidson Institute at the University of Michigan, in cooperation with the Zagreb School of Economics & Management. Many of the cases and examples used in the classroom are based on the William Davidson Institute's experiences with companies which operate in emerging and transitional markets around the world. The program combines both theory and practice.

The General Management Program enables participants to acquire a broad, cross-functional approach to general management. Participants leave the program with an improved skill set, and fresh ideas for approaching critical business issues. Upon completion of the program, participants receive General Management Program certificates issued by the William Davidson Institute and the Zagreb School of Economics & Management.

The quality of the General Management Program is unmatched in the region. The program features professors from the top-ranking Ross School of Business at the University of Michigan and other leading U.S. business schools. The caliber of the participants is similarly impressive, with most holding senior level management positions in both Croatian and multi-national companies. The program is also enriched by the diversity of the participants; in recent years, they have come from Croatia, Czech Republic, Hungary, Poland, Slovakia, Russia, Macedonia, Serbia, and Bosnia and Herzegovina, and have represented industries from financial services to oil & gas to manufacturing.

We hope that you will consider joining us for the eighth annual General Management Program in Croatia. As Predrag Pale, a recent program participant said, you are sure to find the General Management Program "intensive, interesting, useful and fun."

Objectives

The General Management Program is designed to:

- Provide participants with core business management skills and improve their executive skills
- Enable participants to acquire a broad, cross-functional approach to general management
- Help participants strengthen their leadership skills
- Provide participants with course materials, reading and reference tools that can be used later in their daily operations
- Give participants an ongoing professional peer network

Program Location

Zagreb School of Economics and Management
Croatia, Zagreb, Jordanovac 110.



Program Outline

The General Management Program is divided into **five core modules** which are structured around an integrative strategic framework:

- 1. Organizational Management**
- 2. Financial and Management Accounting**
- 3. Finance**
- 4. Marketing**
- 5. Strategy**

The modules present both foundational general management principles and the most recent theoretical developments, and explore real situations faced by the participants in their own business environments. The modules combine lectures, discussions, cases, exercises, and other learning activities. Participants also conduct group work which enhances their critical thinking, decision making, and teamwork skills. Participants can look forward to acquiring skills in five key areas:



Module 1: Organizational Management

More than ever, successful management of organizations requires an understanding of human dynamics and strategic human resources. This session helps current and emerging leaders to manage the human side of organizations. The course has three main objectives. First, the course will present key concepts related to managing the contemporary organization. Second, participants will take a reflective posture with these concepts in order to apply them to their personal and professional life. Third, participants will apply these concepts to diagnose the human resource function of organizations.

Key topics to be covered in this session:

- Learn to promote learning within an organization
- Develop leadership skills of self and others through emotional intelligence
- Explore ways to manage diversity and individual differences in organizations through learning style
- Discuss ways to diagnose team and organizational process
- Learn to assist organizations in developing a strong sense of purpose and direction
- Understand how to apply strategic leadership principles with coaching and performance design

Objectives

- Ensure knowledge of core concepts related to organizational management
- Develop ability to apply course concepts in critical thinking and problem solving
- Prepare participants to be life long learners
- Develop leadership capacity and emotional intelligence

Module 2: Financial and Management Accounting

This session takes a manager's perspective on accounting to help you understand how to use (not prepare!) accounting information in a managerial context. The course focuses on the role of accounting in planning, controlling and decision-making functions. The first part of the module takes an external perspective: we review the usefulness of financial statements for evaluating the financial health of a company. The second part takes an internal focus, using accounting information for managerial decision-making. We also review the latest insights, tools and techniques for providing managers with strategically relevant cost information.

Key topics to be covered in this session:

• Financial Accounting:

- Understanding and Recording Business Transactions:
 - Fundamental underlying concepts
 - The accrual basis of accounting
 - The accounting equation and process
- Financial Accounting and Reporting:
 - Balance Sheet – Assets, liabilities, and owners' equity
 - Income Statement – Revenues and expenses
 - Statement of cash flows – Operating, investing, and financing
 - Generally accepted accounting principles
- Evaluating Financial Performance – Financial statement analysis

• Management Accounting:

- Cost Accounting and Analysis:
 - Uses
 - Methods
 - Limitations
- Profit Planning, Budgeting, and Control:
 - Cost behavior
 - Standard costs
 - Target costs
 - Flexible budgeting
 - Cost-volume-profit planning
 - Break-even analysis
- Management Control Systems:
 - Structure – Responsibility Centers
 - Process – Linkage to strategy
 - Evaluation of performance (Management & Entity)

Module 3: Finance

Growing businesses, whether large or small, publicly-owned or privately-held, need access to capital markets for money to support their growth. Much is written in the popular press showing how companies are richly rewarded when they please the capital markets, and how they are punished when they do not meet the expectations of those who supply their capital. Therefore, it is vital that general managers, business-unit managers, and profit-center managers understand how their internal decisions and actions influence the success or failure of the business as it is seen externally, by bankers and investors. This two-day module shows operating managers what they need to know about the finance side of the business, especially how their work is tied to providing the proper return to investors and how that connects to a rising share price for the owners of the business. Using mini-lectures, mini-case studies, and spreadsheets, participants will be shown the financial impacts of their business decisions concerning research and development, production, marketing, and strategy in a transitioning economy. Emphasis is placed on the preparation of project proposals that are good enough to be approved by financial managers, so operating managers can justify their requests for the funding they need to grow their businesses.

Key topics to be covered in this session:

- Apply financial statement analysis with ratios, cost-volume-profit planning, and break-even analysis from Accounting module
- Understand proper and improper use of financial information to measure the performance of profit centers and business units
- Apply Time Value of Money techniques and forecasting methods to prepare winning cash flow forecasts for project proposals, evaluating the risk and reward of these projects using Cost of Capital, Net Present Value, Internal Rate of Return, Profitability Index, Return on Capital Employed, and Economic Value Added performance measurements
- Understand techniques for optimizing working capital requirements
- Prepare make-or-buy, outsourcing, and lease-or purchase justifications

- Understand how companies finance growth using debt and equity financing, and the valuation models used to value companies, i.e., the links between the operations of a business, the financial markets, and the stock price
- Coverage of above topics in the environment of a transitioning economy with fluctuating commodity prices and foreign exchange rates
- Learn to communicate effectively with financial managers who control the funding needed to operate at profit-center, business-unit, and general management levels



Module 4: Marketing

In 1954, management guru Peter Drucker wrote in his book *The Practice of Management* that any company has only two basic functions: marketing and innovation. The focus on marketing, he suggested, was because the marketing function is responsible for the creation of value for a company's customers. It could be argued that innovation is also the mandate of marketing because, with a consumer-centric approach, innovation is entirely about creating additional value for customers. Drucker's emphasis on marketing, however, suggests that marketing is indeed an important function of any business. The purpose of this course, therefore, is to introduce the function of marketing. Specifically, it aims to: provide students with knowledge of marketing concepts and theories, and give students both the skills and the opportunities to apply these marketing concepts and theories in a variety of organisational and industrial contexts.

The course will follow a model of strategic marketing management, and will explore a variety of marketing concepts and theories, including:

- Marketing Research
- Understanding Consumers
- Marketing Analysis and Strategy
- Segmentation, Targeting, and Positioning
- Product Design
- Pricing
- Distribution and Logistics
- Promotion
- Marketing Implementation and Control

Module 5: Strategy

This session focuses on business and corporate level strategy. You will enhance your ability to develop, evaluate, and implement value-creating strategies using well-developed analytical techniques and frameworks. The first part focuses on strategy at the level of the business unit, which is the foundation level for competitive analysis and competitive advantage. Here, we focus on strategic planning and decision-making from the perspective of the manager in a given business unit with particular assets and capabilities. We also examine how changes in the external or competitive environment (e.g., market liberalization, emergence of the Internet, etc.) impact competitive advantage in a given business and how businesses can respond so as to sustain or rebuild their competitive advantage. We focus next on strategic management at the corporate level. Here, the emphasis is on achieving firm growth and advantage through diversification, mergers and acquisitions and alliances. The final part of this session looks at the strategic planning process and the challenges associated with implementing strategies once they are developed.

Key topics to be covered in this session:

- Strategic Issues in Transitional Economies
- Industry and Competitive Analysis
- Sources of Competitive Advantage
- Growth Strategies
- Global Competition
- Strategy Implementation

Who should attend

The General Management Program is designed for individuals with an interest in general management concepts that apply to more than one functional area of their firm. Participants come from a wide variety of organizations and typically are responsible for establishing policy at corporate or divisional levels. Participants should be familiar with basic business functions and be ready to adopt new perspectives on each of these functions.

Instruction is in English and participants should be sufficiently fluent to contribute to classroom discussions and group work.



The William Davidson Institute

Founded in 1992 as a non-profit educational institute located at the University of Michigan Business School, the William Davidson Institute (WDI) offers companies and individuals the opportunity to participate in premier executive education programs held locally. Through the Institute's programs, managers develop an improved understanding of the individual competencies, business organizations, and institutional structures necessary for companies to compete successfully in the global marketplace.

Over the past decade, more than 1500 managers from over 250 companies from throughout Central and Eastern, Southeastern Europe, Russia, South America, China and Vietnam have participated in programs offered by WDI. WDI programs feature the latest global management thinking while also weaving in local examples to ensure the learning is relevant to the target audience. WDI draws on the faculty and other resources from the Ross School of Business at the University of Michigan. U.S. News and World Report places the University of Michigan in the top five among U.S. business schools for strength "across the board." You will find more about WDI at: www.wdi.bus.umich.edu

The Zagreb School of Economics and Management

Zagreb School of Economics and Management (ZSEM) is a private accredited school. ZSEM organizes undergraduate and graduate study programs in the field of economics and management. It was founded in accordance with the Law of Higher Education with the aim to provide students an education comparable to that of the best schools in the world. The school's mission is to improve students' knowledge and skills to enable them to manage and succeed in a competitive and globalized economy.

Zagreb School of Economics and Management (ZSEM) teaches business ethics and skills and prepares students to meet technological and market changes required for long-term business success. You will find more on ZSEM at: www.zsem.hr

Program Professors

The General Management Program is conducted by award-winning professors, who, in addition to their academic qualifications, also have experience teaching in executive education programs and working with companies which operate in emerging and transitional economies. They are experts in facilitating discussion and creating a positive learning environment, utilize state-of-the-art teaching tools, and are skilled at meeting the expectations and needs of individual participants.

Organizational Management

Professor D. Christopher Keyes is Assistant Professor of Organizational Behavior and Development at The George Washington University, School of Business.

His research has or will appear in nearly 20 articles and book chapters including *Human Relations, Academy of Management Learning and Education, Organization Dynamics, Journal of Management Education, and Small Group Research*. His paper "Experiential Learning and its critics: Preserving the role of experience in management learning and education" was nominated as one of the 3 best papers published in the *Academy of Management Learning and Education Journal*.

His teaching efforts were recently recognized by the Organizational Behavior Teaching Society with the *New Educator Award*, for promise in innovation in management education. He previously taught in the Executive Leadership and Singapore Institute of Management Programs at GWU and with the Helsinki School of Economics.

His recent consulting efforts focus on developing tools to improve teams and enhance learning. Clients include Washington DC Area Council of Governments; Defense Information Systems Agency; District of Columbia; The Romanian Leadership Council; The Hay Group; GW Center for Excellence in Municipal Management; Verizon; and Experienced Based Learning Systems, Inc. Professor Keyes holds a Ph. D. in Organizational Behavior from Case Western Reserve University.

Financial and Management Accounting

Professor David J. Sharp is Donald Hunter Professor of International Business and an Associate Professor of Managerial Accounting and Control at the Richard Ivey School of Business at the University of Western Ontario. Professor Sharp specializes in teaching accounting using the case method, where students learn-by-doing as they work on real management problems, identify alternatives and make recommendations for action. Professor Sharp is the author of numerous academic articles and case studies in the fields of international accounting, financial reporting, managerial accounting, and business ethics. His most recent casebook is "Cases in Business Ethics." Professor Sharp has held visiting faculty positions at Johannes Kepler University, Linz, Asian Institute of Management, Manila, Tufts University, Boston, and at the Czech Management Centre and the University of Otago, New Zealand, where he taught managerial accounting in their Executive MBA programs. At the Richard Ivey School, he teaches in Executive Development programs as well as the Executive MBA and full-time degree programs.

Finance

Professor Neil G. Cohen, is a Faculty Affiliate with the University of Michigan Business School's William Davidson Institute and an Associate Professor of Finance at George Washington University in Washington, D.C. Professor Cohen specializes in an active style of teaching, where students learn-by-doing as they evaluate real problems and make recommendations for action. He is the author of case studies in business finance, investments and portfolio management, and personal finance, and wrote one of the first books applying computerized spreadsheets to financial analysis. Many of his cases were written about companies in Central and Eastern Europe. As visiting professor at the International Management Center in Budapest (now the Business School of Central European University), where he first taught in 1994 as a Fulbright professor, Professor Cohen led management development programs in business finance and investments for companies such as Coca-Cola Moscow, Creditanstalt, MOL and Kraft Jacobs Suchard. For the William Davidson Institute, Professor Cohen taught the Finance module for the General Management Program in Zagreb and Bratislava, and led Finance for the Non-Financial Manager programs for United States Steel-Slovakia and ABB-Prague.

Marketing

Professor John Branch currently teaches a variety of marketing and international business courses at the undergraduate, M.B.A., and executive levels. As Director of Educational Outreach at the William Davidson Institute, he is responsible for the development and dissemination of pedagogical materials on emerging and transitional markets. He also holds an affiliated research fellowship with the University's Center for Russian and East European Studies. Prior to joining Ross, Professor Branch was on the faculty of the John M. Olin School of Business at Washington University in Saint Louis (U.S.A.) for five years. He began his academic career in 1993 as an Assistant Professor of Marketing at École Supérieure de Commerce de Rennes in France. Since then, he has also served as an adjunct or visiting professor at more than 40 business schools throughout world, including the Rotterdam School of Management (Netherlands), the University of Ljubljana (Slovenia), ESAN (Peru), and the Sasin Graduate Institute of Administration (Thailand). He was also a visiting scholar at Queen Elizabeth House of the University of Oxford (England) and at the J. L. Kellogg Graduate School of Management of Northwestern University (U.S.A.). Professor Branch has been involved in a variety of European Union and other government-funded development projects, most notably in the republics of the former U.S.S.R., including Kyrgyzstan, Ukraine, and Uzbekistan, and in those of Eastern and Central Europe. He has also participated in management training programmes in numerous international organisations, including British American Tobacco, Anheuser-Busch, British Telecom, Cargill, Coca-Cola, Michelin, and Nestlé. Dr. Branch holds a PhD in marketing from the University of Cambridge in England.

Strategy

Professor Prashant Kale is an Assistant Professor of Corporate Strategy and International Business at the Michigan Business School and a William Davidson Institute Faculty Affiliate. He teaches in MBA and executive education courses in Strategic Management and Management of Strategic Alliances and Mergers and Acquisitions. He also does research in these areas and his work has been published in international journals such as the Harvard Business Review, MIT Sloan Management Review, European Management Journal, Strategic Management Journal and several others.

Prior to joining academia, Dr. Kale worked for several years in the industry with leading multinational corporations such as Johnson & Johnson, ICI Plc. and Siemens Ltd. He is also on the Board of a couple of Venture Capital funds and technology and software companies. For the William Davidson Institute, Dr. Kale has led successful strategy sessions for local and international company executives in the Czech Republic, Slovakia and Croatia. Professor Kale holds a Ph.D. in Strategic Management from the Wharton School, University of Pennsylvania.

Registration Information

The program fee is 5000 euros. The fee includes tuition, instructional materials, lunches and reception. Applications must be received by October 1, 2007. Fee is payable upon registration to:

If outside Croatia:

Zagreb School of Economics and Management, ZAGREB
Account no. ZSEM - 2500-840-428191
Raiffeisenbank
SWIFT RZBHHR2X
Zagreb, Croatia

If in Croatia:

Zagreb School of Economics and Management, ZAGREB
Account no. 2340009-1110073682
Privredna banka Zagreb
Zagreb, Croatia

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Participant Comments

The GMP has given me some new ideas for managing my company. Faculty with a great deal of experience work together with participants on resolving real-life situations. They encourage the participants to deal with challenges in a more effective way. It is fantastic that such a prestigious organization as the William Davidson Institute brings its expertise to this region, enabling us to adapt leading management theories to this environment.

Ivan I.

I would strongly recommend this program to my colleagues. It's very useful. I was impressed with the friendly and informal way of teaching, with lots of examples from real-life situations and lively discussions.

Sandra M.

The program widened my horizons, gave me a deeper understanding of business issues, and provided me with new perspectives on decision making and critical thinking in business.

Aleksandra A.

The GMP features excellent professors who provided lots of useful information from their experience in business. This program has a completely different approach to studying than traditional executive training programs. This program focuses on learning through case studies, which is a much better way to learn.

Dubravka Z.

I've gained a lot of useful new information on key business subjects. The case studies were helpful in illustrating the theories presented. It was very interesting and useful to participate in this program.

Dražen P.

The background of the page is a dark blue, textured surface. In the upper left, there is a large, semi-circular compass rose with a central needle and various directional markings. In the lower right, there is a 3D bar chart with several vertical bars of varying heights, suggesting data or progress. The overall aesthetic is professional and technical.

www.zsem.hr