

THE ROLE OF HBS RESEARCH CENTER IN STRENGTHENING US-TURKEY BUSINESS TIES

Research centers, such as the Harvard Business School's Middle East, North Africa, and Central Asia Research Center, play a significant role in strengthening cross-cultural ties and advancing business relations between Turkey and the US. Whether it be creating case studies, organizing immersion trips in Turkey, or bringing executives of Turkish companies and MBA students together in Boston, the Center undertakes a wide array of initiatives to provide a better understanding of global business practices and to foster relations between HBS students, faculty, and local leaders of business, industry, government, and academia worldwide.

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The Middle East, North Africa, and Central Asia (MENA) Research Center of the Harvard Business School (HBS), located in Istanbul, is one of ten research centers and five regional offices in key areas around the globe, each supporting HBS's efforts to build a deep understanding of global business practices. The HBS learning experience is inherently international. It fosters global intelligence, challenging students to think about different countries and different business contexts, ensuring that the School's efforts have a global impact and that their students—leaders who will make a difference in the world—have a broad understanding of the global business scheme. The School is well-known for its case method, a participatory way of learning used in its MBA, Executive Education, and HBS Online programs, where students exchange ideas and learn from each other while honing their critical thinking and communication skills. MBA students will analyze work on approximately 400-500 cases over two years, engaging in lively discussions with up to 90 classmates from various backgrounds and cultures. The case method requires students to put themselves in the shoes of the decision-maker presented in the case study. They identify the challenges that the protagonist faces, analyze the often-complex situation, and come up with a set of recommended actions. HBS faculty produce about 300 new cases per year.



The HBS research centers play an important role in creating opportunities for HBS faculty to work in close cooperation with local leaders in business, industry, government, and academia worldwide and to learn from business challenges and innovations wherever they occur. Local research associates are the key facilitators; they make sure that faculty are afforded the opportunity of immersing themselves in the local culture and values, with all the intricacies and nuances that those encompass, thus contributing to meaningful and insightful global research.

The HBS MENA Research Center in Istanbul was established in 2013. One of its first activities was to organize a seven-day faculty immersion trip to Turkey in June 2014, when eight faculty members visited Istanbul, Ankara, and Gaziantep. During their stay, they met over two dozen key businesspeople, government officials, and academics and gained valuable knowledge about the successes and challenges of Turkish businesses. The faculty members were all greatly impressed by the vibrant business environment and went back with plans to do deep dives with a select number

of companies. Various case studies came out of this faculty immersion, one of which was on Turkish Airlines. The case narrates Turkish Airlines' transformation from a regional player to a global powerhouse, and centers the discussion around its growth opportunities and potential challenges during the transition.

In 2015, the Center opened a Dubai office and expanded its activities from a singular focus on Turkey to include coverage of the Middle East, North Africa, and Central Asia via the Center in Istanbul and its Dubai office. However, Turkey continued to be a key area of concentration for the MENA Research Center. Many more cases and academic research projects in Turkey were conducted between 2013 and 2019. 35 HBS faculty members have traveled to Turkey so far, and 48 case studies have been published as a result of these visits. Every visit is a unique opportunity for the faculty to better understand the realities of the business environment in Turkey, each from a different perspective. HBS Professor of Business Administration Juan Alcacer commented:

The MENA Research Center provides an extraordinary entry point for this research area due to its incredible access to the business community in Turkey and the Middle East. Its staff is able to identify and gain access to very interesting companies and business problems—a task that requires considerable hard work—in an almost magical way. Once a good site is identified and access has been guaranteed the Center arranges the logistics of traveling, plays a key role in the interview process, and provides a tremendous amount of support in writing the cases. They also facilitate visits of company protagonists to the classroom, so students are able to interact face-to-face with leaders from emerging markets. In doing so, the Center helps to bring Turkey and the Middle East closer to our students, nurturing an environment where global leaders can develop.

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The visiting faculty invariably go away with highly favorable impressions about the vibrant business community in Turkey and the innovative approaches that they develop to address particular challenges. The resulting published cases provide valuable insights about doing business in Turkey for a global readership of students in MBA and other business-oriented programs worldwide, including ones in Turkey. Rawi E. Abdelal, the Herbert F. Johnson Professor of International Management

and Director of Harvard’s Davis Center for Russian and Eurasian Studies, noted: “I chose and continue to choose Turkey as a research site because it is a dynamic emerging market whose development is closely tied to the fate of Europe, the Near East, and the Black Sea region. Turkey’s prospects constitute a metaphor for the next phase of globalization.”

Table 1: Case Study Examples from Turkish Companies
(In Alphabetical Order)

A Challenger’s Strategy: Pinar Abay at ING Bank Turkey
Acibadem Group and Integrated Healthcare Holdings
Actera Group: Investing in Mars Cinema Group (A) & (B)
Ak Gıda: IPO or Strategic Sale
Akbank: Options in Digital Banking
Allianz Turkey: Focus on the Customer (A) & (B)
Bidding for Finansbank
BIM: Finding New Ways to Grow
Darby’s Investment in Sirma: Professionalizing an Entrepreneurial Firm
Diageo and Mey Icki: Turkish Delight and Turkish Hangover?
DO & CO: Gourmet Entertainment
Ekol Logistics: Thinking Outside of The Box
Enpara.com: Digital Bank at a Crossroad
Garanti Payment Systems: Digital Transformation Strategy (A) & (B)
Global Leadership in a Dynamic and Evolving Region: Molinas @ The Coca-Cola Company (A), (B), (C) & (D)
Governance Transition at Anadolu Group
Hillside Beach Club: Delivering the Ultimate Family Vacation in the Mediterranean
HOPI: Turkey’s Shopping Companion
It’s All About Family: Esas Group
iyzico: Fundraising in Emerging Markets (A) & (B)
Mavi: Fashioning a Path to Brand Growth
OPET: Precision Marketing in Uncertain Times
Peak Games: Hiring Priorities in Times of Rapid Growth (A) & (B)
Preparing a Concession Bid at TAV Airports Holding
Rebranding Godiva: The Yildiz Strategy
Sales Force Management at Nobel Ilac
Sustainability at Coca-Cola
TAV Airports Holding (A) & (B)
The Transformation of Mudo
Turkasset: Customer-Centric Collections

Turkcell
Turkey and Russia: Dangerous Liaisons
Turkey and the Southern Corridor
Turkish Airlines: Widen Your World
Turkish Economy Bank and Fortis Bank: Managing a Complex Merger
Vispera: Visual Intelligence for Retail
Yemeksepeti: Growing and Expanding the Business Model through Data

HBS cases are also studied in other business schools around the world; about 80 percent of all cases studied in business schools globally are HBS cases. Cases about Turkish companies are used in HBS Executive Education (Exec Ed) programs (~10,000 participants per year) as well.

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The range of case studies developed from Turkey is quite wide. Over a dozen case studies focus on the Turkish financial industry; these include large Turkish and multinational banks, insurance companies, and private equity firms. The case studies analyze companies’ digital strategies, customer management practices, and investment activities in diverse contexts. Family businesses and startups are also an important area of focus of cases from Turkey. The key dilemmas of these cases vary from funding to governance, leadership changes, and expansion strategies.

It is interesting to note that the traffic is not always one-way, as Professor Alcaer pointed out. Protagonists in the MENA Research Center’s cases (CEOs and board chairmen) have travelled to Boston to address HBS MBA students and Exec Ed participants to see their cases being taught in the classroom and to interact with students. Of the 25 business leaders who have travelled to Boston for their cases, some have had the opportunity to address all 900 first-year MBA students. These future world leaders were thus able to learn from company leaders themselves about the successes and challenges of Turkish companies and gain invaluable knowledge about business practices in Turkey. By the same token, local research associates have done the same, and have come back with a clearer understanding of the students and how they engage

with case studies, thus enhancing their skill set for future research.

Another activity of the Center is supporting HBS faculty's academic research. The biggest project to date—the “Creating Emerging Markets” project—was undertaken under the leadership of the Isidor Straus Professor of Business History, Geoffrey G. Jones. It is a unique study that is used as a teaching resource in business leadership programs around the globe. The MENA team supported the faculty in their in-person interviews with eight Turkish business leaders whose careers have spanned several decades and who could provide first-hand knowledge of the history of Turkey as an emerging economy. The interviewees offered compelling insights on innovation, entrepreneurship, family business, and the globalization of Turkish firms and brands.¹

The MENA Research Center was also involved in a global survey on corporate governance practices, sales force management in the pharmaceutical industry, customer loyalty programs in retail, and sustainability. The eight faculty members who led these academic projects acquired precise knowledge about business practices in Turkey and have made use of these data in their academic publications, including books, journal articles, and working papers.

The HBS MENA Research Center in Istanbul takes pride in bringing the best of Turkey and Turkish companies to the HBS campus in Boston and to business schools worldwide. Thousands of students have learned about Turkish companies via the case studies and will undoubtedly keep a close eye on developments when they are back in their firms and home countries.² Turkish business leaders have also learned from these interactions with faculty and students, and at times have readjusted their strategies thanks to these exchanges. The Center continues its work to feature Turkish companies and business leaders in the HBS curriculum and business schools around the world, in tune with the efforts of HBS to build a deep understanding of and expertise in global business practices and innovation.

HBS allows us to establish relationships with business leaders and to observe management practices up close. This is beneficial for Turkey's reputation, as we shine a light on innovative businesses that are making an impact in the region and around the world. The School's global strategy is premised on having a small physical footprint while having a large intellectual one in the world. Our presence in Turkey allows us to achieve this not only in Turkey but across the Middle East, North Africa, and Central Asia.

¹ Access to the videos are available upon request to HBS.

² To review HBS cases, please see: <https://www.hbs.edu/global/faculty-research/Pages/research.aspx?Geo=MiddleEast>