We used to call them "emerging" economies. But when it comes to certain countries' levels of internationalization, innovation, profitability and economic strength, "emerged" might be a more accurate way to describe them - especially when compared with the recently downgraded market leaders. The latest IESE Insight management review urges global business leaders to get to grips with these and other "emerging realities."

In the wake of the economic crisis, low prices have taken precedence over perceived quality. In Britain, this is known as "the Primark effect," so named after the bargain retailer there. A case study by Julián Villanueva, José Luis Nuño and Julie Ziskind analyzes how Primark changed brand attitudes, and the challenges that lie ahead.

As doubts continue to grow about Greece's ability to repay its debts, many are calling for a common fiscal policy in the E.U. to inject greater stability in the euro zone. IESE's Xavier Vives says that such a measure can't be put off much longer given the real and present danger of contagion spreading to much larger euro zone members such as Italy and Spain.
a worker's future potential - an approach that should allow companies to derive much greater value from their workforce.

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Estrada, Javier

Recent stock market volatility has highlighted the importance of being able to understand risk in assessing your fund manager's performance. Unfortunately, the standard risk model, the capital asset pricing model (CAPM), offers no help in assessing whether managers deliver returns worth their risks. In his article, "The Three-Factor Model," IESE Prof. Javier Estrada proposes a new method for measuring whether managers are truly outperforming or are just adept at risking other people's money.

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