15.229 - Managing Global Integration

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Session 3
CLASS 3. The Relevance of Organization – Monday, April 9

Learning Objectives:

a. The role of organization in internationalization and global integration
b. Path dependence and “administrative heritage” in the multinational company
Nissan NRP – Global Integration

Fiscal Year 2000
Global Management

GNX
(Global Nissan)

Europe
North America
Japan

Stretch Principles

- Same common goal: Nissan’s global profitability and market presence
- Three overlapping angles to reach this goal:
  - Regions: Regional profit and market presence, with a shorter-term business focus
  - Functions: Global efficiency and coherence, with a longer-term perspective
  - Programs: Vehicle global profit, return on investment, and market presence over its entire cycle
- Stretch “by design” between the three dimensions:
  - To surface issues and opportunities through mutual challenge
  - To boost global, cross-functional teamwork
- Multiple hatting and reporting

(Source: Nissan Motor 2002 case study)
Administrative Heritage
and the journey towards the “transnational solution”

(Source: Bartlettl)

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