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business to solve social problems



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Remembering Paul McCracken, 1915-2012
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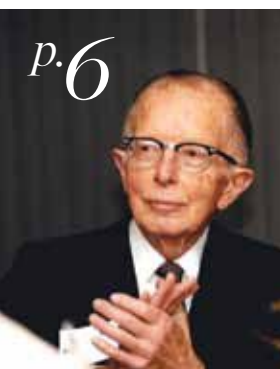
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Twenty Questions



#7 “If you’ve got time to lean, you’ve got time to clean.”

As president of global technology and operations at Bank of America, **CATHY BESSANT, BBA '82**, is responsible for envisioning and delivering a world-wide strategy. But it was a high school teacher who first taught her to think broadly. “In my school, most kids considered smaller colleges,” says the Jackson, Mich., native. “He told me, ‘Cathy, you have to think bigger.’” Now Bessant encourages others to do the same through her endowed scholarship at Michigan Ross, which helps young people from small central Michigan towns attain a U-M education. “The opportunities I’ve had in my career are directly related to the doors that Michigan opened for me,” she says. Despite her rise at a global financial powerhouse, Bessant is not driven solely by her career. “Leaving a legacy is important,” she says. “It’s our job to give our children a better world than the one we had.”

- 1 What’s a book you read recently?** *The Company of the Dead*, by David Kowalski.
- 2 First album/CD you bought?** *Goodbye Yellow Brick Road*, by Elton John.
- 3 What’s on your iPod?** Bob Seger, Neil Young, Bon Jovi, and Abba.
- 4 What’s the most adventurous thing you’ve ever done?** It’s a tie between parasailing in the Gulf of Mexico and cross-country Segway riding.
- 5 Personal hero (and why)?** My mom. She successfully raised four kids, had a great full-time career (when few did), was civically active, and taught us we could do anything.
- 6 Favorite drink?** Champagne. No question.

- 7 First job?** McDonald’s. The motto was, “If you’ve got time to lean, you’ve got time to clean.”
- 8 Best business decision?** The next one. It has to be. Every time.
- 9 What advice would you give to yourself 10 years ago?** Be the person who got the job, not the person trying to keep it.
- 10 The one thing you learned in business school that you’ll never forget?** First things first: Define the issue or problem to be solved. Everything flows from there.
- 11 What gets you out of bed in the morning?** The thought of all the things I have to look forward to every day.

- 12 If you had a theme song, what would it be?** “Who Says You Can’t Go Home,” by Bon Jovi.
- 13 Favorite line from a movie?** “After all, tomorrow is another day.” —Vivian Leigh as Scarlett O’Hara in *Gone With the Wind*; “If you’re not first, you’re last.” —Will Ferrell as Ricky Bobby in *Talladega Nights*.
- 14 Three people, living or dead, you’d have over to dinner?** Eleanor Roosevelt, William Shakespeare, and my grandfather.
- 15 Best trophy/award you ever won?** Charlotte (N.C.) Woman of the Year, 2006.
- 16 What did you want to be when you were a kid?** A teacher. I used to run a “school” for kids in the neighborhood and even charged admission.
- 17 Pet peeve?** People who don’t mind their space intellectually, emotionally, or physically.
- 18 Favorite sport to watch?** The Olympics. I can’t get enough. Even sports I don’t normally watch are magical in the Olympics.
- 19 What are you afraid of?** Falling. (As in, I will never visit the Grand Canyon. Ever.)
- 20 Nightmare job?** Hostess in a busy restaurant. Way too much stress.

* Read more 20 Questions: www.bus.umich.edu/20questions



Academia may not produce the adrenaline rush of a high-stakes sporting event, but **M.P. NARAYANAN** knows it's got plenty of thrills. He became faculty director of the Executive MBA (EMBA) Program on July 1, and now is overseeing the program's first Los Angeles-based cohort. Forty students began with an Ann Arbor residency in August, and then began classes in L.A. in September. That Narayanan has helped lead this significant expansion is fitting, given he was a member of the original design committee for the EMBA Program and has been a faculty member since its inception. "I have thoroughly enjoyed being part of the EMBA Program since before it was a twinkle in the school's eye," Narayanan says, "and I'm very excited that we've added a West Coast cohort."

- 1 What's a book you read recently?** *Thinking, Fast and Slow*, by Daniel Kahneman. I recommend it to anyone interested in human behavior.
- 2 One destination you dream of but haven't gotten to yet?** Africa. Egypt, Kenya, and South Africa, in particular.
- 3 What's the most thrilling/adventurous thing you've ever done?** Huh? Academics do such things?
- 4 Guilty pleasure?** Desserts: French, Italian, Indian, Middle Eastern, you name it.
- 5 First job?** Electrical engineer, designing elevator controls. Now I use my skills to change light bulbs.
- 6 Best business decision?** To invest in myself by going back to school for a PhD. Now I can hire electricians to change light bulbs.
- 7 One-word description of Ross students?** Enthusiastic.
- 8 Personal hero (and why)?** My wife, Lakshmi. She married me.
- 9 Nightmare job?** Definitely not mine.
- 10 The one thing you learned in business school that you'll never forget?** No dollar bills are lying on the floor — they would've been picked up already.
- 11 Favorite comfort food?** South Indian. Few Americans know the number of regional Indian cuisines.
- 12 Three people, living or dead, you'd have over to dinner?** Sir Isaac Newton, Siddhartha Gautama (a.k.a. Buddha), and Isaac Asimov. Asimov can explain relativity to Newton over excellent Indian vegetarian food, while listening to Gautama's discourse.
- 13 Best trophy/award you ever won?** An abacus with beer caps for beads, signed by the participants from the four-week Executive Program.
- 14 What did you want to be when you were a kid?** An international cricket player.



#15

Favorite sport to watch? Any ball sport. I will stop flipping channels long enough to see where the ball ends up, regardless of the sport.

- 16 Favorite drink?** Lagavulin 16.
- 17 Pet peeve?** Why can't we switch to the metric system? Practically the whole world has.
- 18 Favorite workout?** Tennis. After getting whacked by my opponent's racquet while playing squash, I prefer the safety of the tennis net.
- 19 What gets you out of bed in the morning?** The excitement of doing something challenging.
- 20 Must-have app on your phone?** Skype, Dropbox, and iBooks — invaluable for international travel.



#4

MATTHEW CARSON, MSCM '12, has the proverbial need for speed, which is why the U.S.

Air Force veteran thinks the fast-paced MSCM Program is the ultimate joyride. It's also why his summer project at Chrysler Group LLC, through the Tauber Institute for Global Operations, was a perfect fit. "I thought Ross' proximity to Detroit would help me get into the auto industry," says the former healthcare supply chain manager. "Working for one of the Big Three this summer was incredible." Carson grew up all over the world but is impressed with what Detroit has to offer. "Detroit has surprised me in so many ways. It's got rich culture and a fascinating history — it's a place of opportunity."

- 1 What's a recent book you've read?** *Reimagining Detroit: Opportunities for Redefining an American City*, by John Gallagher.
- 2 First album/CD you bought?** I am proud to say, *No More Tears*, by Ozzy Osborne — when New Kids On The Block ruled the airwaves.
- 3 What's on your iPod?** It ranges from Rammstein to Tupac Shakur to Waylon Jennings.
- 4 What's the most thrilling thing you've ever done?** Riding my Ducati superbike on the Pacific Coast Highway.
- 5 Guilty pleasure?** Will Ferrell comedy movies. I will never outgrow them.
- 6 Best business decision?** Joining the military. I use the lessons that I learned every day, and the Post 9/11 GI Bill pays my Ross tuition.
- 7 First job?** Geologist on oil and gas drill rigs — remote, dirty, loud, and interesting.
- 8 What advice would you give to yourself 10 years ago?** Don't worry so much about your career. Take more time to focus on personal happiness.
- 9 Personal hero (and why)?** My grandfather. He escaped the Soviet occupation of Hungary and arrived at Ellis Island with no money or knowledge of English. He became an engineer and sent his daughters to Ivy League universities.
- 10 Most important room in your home?** The kitchen. I love to cook and eat.
- 11 The one thing you've learned in business school that you'll never forget?** I don't have to be like everyone else.
- 12 First website you access in the morning?** I have three Ford Mustangs, so I like to keep current on Modular Fords and SVT Performance.
- 13 Favorite comfort food?** Spaghetti and meatballs, preferably made by my mother or girlfriend.
- 14 Favorite line from a movie?** "Life's a garden. Dig it." —David Spade as Joe Dirt in *Joe Dirt*.
- 15 What did you want to be when you were a kid?** A professional skateboarder or a surfer. Growing up on a dirt road in New Mexico, neither was in the cards.
- 16 Pet peeve?** Rude drivers, stemming from six years living in the Bay Area.
- 17 Where would you retire?** I'd split my time between Budapest and Fiji.
- 18 Three people, living or dead, you'd have over to dinner?** Sergio Marchionne, Alan Mulally, and Daniel Akerson, to make a hard sell for a job.
- 19 Favorite sport to watch?** Car and motorcycle racing, especially road racing and Moto GP.
- 20 What gets you out of bed in the morning?** The chance to leave my routine for a year and learn from some of the world's brightest minds.



More than ever, shaping a sustainable future matters — for people, for the planet, and for business. As we experience changes in the environment, demography, and the economy, the interplay between business and society has never been more prominent. Today, an increasing number of companies are taking action to improve the world around us because they recognize that doing so helps both business and society.

At Ross, we're proud to be one of the preeminent institutions exploring the questions surrounding the relationship between social and profit-driven missions. At the core of the Ross ethos is a recognition that management decisions often have both economic and social impact.

The cover story in this edition of *Dividend* features the impact Ross alumni are making in this arena. We go inside Stonyfield Farm Inc., the organic yogurt and sustainable foods giant that puts social and environmental impact at the center of its mission. We explore how **Erik Drake, MBA '00**, and **Liz Short, MBA '05**, are taking on and solving challenging issues for this socially conscious corporation.

We also explore the work of **Joseph Du Bey, BBA '07**, an impact investor who is leveraging his experience in the finance sector to aid social entrepreneurs. As a pioneer in the field of

“We’re proud to be one of the preeminent institutions exploring the tough questions surrounding the interplay of social and profit-driven missions.”

social venture funding, he’s tackling critical questions, such as: How do investors measure social value and balance it against profitability? And how do public and private institutions co-fund initiatives that advance both public and private sector needs?

Finally, we profile **Cynthia Koenig, MS '07/MBA '11**, a social entrepreneur who is looking to transform the way people at the base of the economic pyramid transport water. The Wello WaterWheel already has changed lives in India, and now she’s exploring how this simple yet powerful invention can impact people around the world.

Ross’ impact on the social world extends far beyond these few examples. Students, faculty, and alumni are bringing about positive change worldwide. During the recent Ross Leadership Initiative Foundation Session, incoming Full-time MBA students tackled social innovation projects throughout the city of Detroit. The Nonprofit and Public Management Center and the William Davidson Institute provide students opportunities to apply advanced management thinking to governments and nonprofits across the country and around the world. The Erb Institute for Global Sustainable Enterprise remains one of the premiere centers of thought leadership on the role of business and markets in realizing environmental sustainability. And in recent months, Ross’ student-led Social Venture Fund closed on its first two investments, propelling a pair of companies with a social mission while helping students build acumen in social investing.

Over the coming months, you’ll hear more about our new strategic plan to take Ross into the next generation of business education. Integral to a world-class management education for the 21st century is a focus on both the social and the economic impact of business, and we will continue to expand opportunities for students at all levels of instruction in this area.

Ross students, alumni, and faculty have the imagination, passion, insight, and grounding to bring about real progress on real issues. I look forward to continuing the journey with you as we take Ross into the future.

Sincerely,

Alison Davis-Blake
Edward J. Frey Dean
Stephen M. Ross Professor of Business

Remembering Paul McCracken, 1915-2012

Professor emeritus had the ear of presidents

Professor Emeritus **Paul McCracken**, who helped shape U.S. economic policy and the minds of U-M students, died Aug. 3 in Ann Arbor at the age of 96.

His most prominent role was chairman of the Council of Economic Advisers (CEA) for President **Richard Nixon**. He also served on the council under **Dwight Eisenhower**, making him the only person to serve on the CEA under two different presidents.

“During the most difficult hours of my first term ... I came to depend on Paul both for his incisive intellect and his hard-headed pragmatism,” Nixon wrote in 1985.

McCracken was the Edmund Ezra Day Distinguished University Professor (Emeritus) of Business Administration, Economics, and Public Policy. Until recently, he was a near-daily fixture in the Davidson Winter Garden, conversing with students and faculty.

“Professor McCracken was a national treasure,” says **Alison Davis-Blake**, Edward J. Frey Dean and Stephen M. Ross Professor of Business. “I loved seeing Paul frequent our building, long past his ‘retirement.’ He is a testament to the enduring legacy of education.”

A native of Iowa, McCracken first arrived on campus in 1948. He had briefly taught English at Berea College in Kentucky.

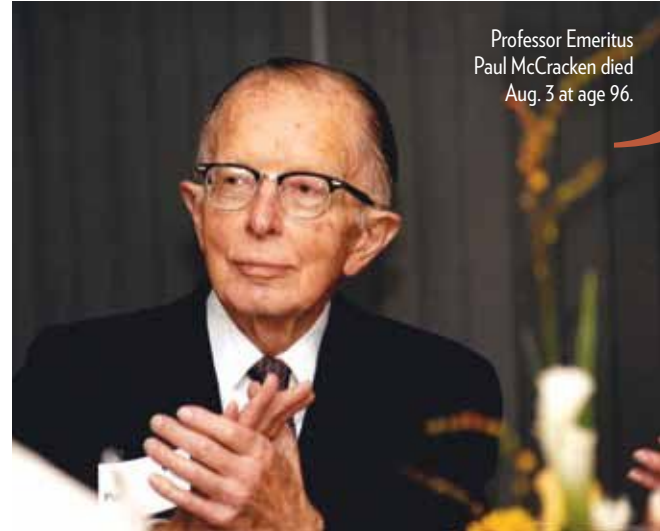
“I always said he was a closeted English professor at heart,” says **Herb Hildebrandt**, professor emeritus of business administration and communication studies. The two began their 54-year friendship by debating the use of metaphors in political speeches.

Sid Jones, a former business school professor who accompanied McCracken to D.C., says a White House press corps joke was, “journalists had to bring a dictionary whenever Paul gave a press conference.”

McCracken described his economic philosophy as “Friedmanesque,” after noted economist **Milton Friedman**. His economic and policy acumen was recognized by leaders of both political parties, and he was an adviser to Presidents Eisenhower, **John Kennedy**, **Lyndon Johnson**, Nixon, and **Gerald Ford**.

Friedman once noted, “Few academics have achieved so wide a range of influence.”

As chairman of the CEA, McCracken’s challenge was to encourage policies that would ward off inflation while not increasing unemployment. Nixon and McCracken eventually disagreed over the issue of wage and price controls as an inflation-fighting tool.



Professor Emeritus Paul McCracken died Aug. 3 at age 96.

In a 2011 *Dividend* interview, McCracken recalled, “I thought price controls were a bad idea [because] you couldn’t look back ... and point to a success story. Political battles are often more important ... than hard, solid data.”

When McCracken chaired the CEA, Jones was his chief of staff. Although Jones eventually left Michigan, he and McCracken collaborated in the Ford administration, at the American Enterprise Institute, and more. Jones also published *Private & Public Economic Adviser: Paul McCracken* (University Press of America, 2000).

“Paul had a great comparative advantage in his knowledge of history and actual business affairs,” he says. “And he proved you could be a powerful, compelling leader without being a jerk. He had a spiritual core and sensitivity for the less-advantaged people in our society.”


After resigning from the CEA in 1971, McCracken continued to teach, write papers and articles (including more than 80 in the *Wall Street Journal*), lecture, and influence policy. He said his experiences in Washington greatly impacted his teachings and research.

“There is merit in being able to bring to class true-to-life stories on the complicated process of running a government, especially its economic policy,” he once wrote to Hildebrandt. “To cast a stone is easy, but when one is involved in the process, the application of economic theory is a highly complex matter.”

McCracken’s influence was global, but Hildebrandt says McCracken would be the last to trumpet his accomplishments.

“He believed that a fitting coda to one’s life should be that ethics and morality walk hand in hand with whatever one does. Of all the things he taught me, the most important was humility.”

McCracken is survived by daughters **Linda Langer** and **Paula McCracken**. He was predeceased by his wife, **Ruth (nee Siler)**, in 2005. ✨ —Terry Kosdrosky and Amy Spooner



J. Ira Harris, BBA '59, received an honorary degree from the University.



View a video interview with Ira Harris: www.bus.umich.edu/iraharris

Grads Encouraged to Embrace Action-Based Living



Michelle Bernard

While a Michigan Ross degree positions graduates for success, they should look beyond material gain, says pundit **Michelle Bernard**. The MSNBC political analyst, who also is an author, lawyer, and founder of the Bernard Center for Women, Politics & Public Policy, encouraged the Ross Class of 2012 to consider the future during April 27 commencement exercises at Hill Auditorium. “Think about your life 50 years from now,” she said. “How will you define success?”

Bernard shared her metrics for successful living and, dovetailing with Michigan Ross’ signature learning philosophy, her thoughts on action-based living. She encouraged graduates to be innovative, noting that business people and entrepreneurs make important contributions to society. “One of the most important reasons to succeed is to help others succeed,” said Bernard. “View business as a public-spirited endeavor.”

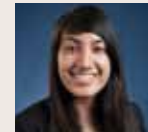
BBA student speaker **Michael Gardner, BBA '12**, urged classmates to remember the imaginings of childhood. “Be Batman. Dream like you were a child again ... because only then will you find out what you’re truly capable of.”

As part of the University’s ceremony at Michigan Stadium, **J. Ira Harris, BBA '59**, received an honorary doctor of laws degree. Harris, the chairman of financial advisory firm J.I. Harris & Associates, worked on some of the biggest M&A deals in history at Salomon Brothers and Lazard, and is a generous donor to the Ross School. He was recognized for achieving extraordinary success while championing the ideals of U-M everywhere he travels. “No words can describe how honored I am,” said Harris. “Michigan is something that gets into you and never leaves.” ✦

Students Recognized for Leadership and Service

During Commencement, the Class of 2012 honored four students with annual awards.

The Frank S. Moran Distinguished Leadership Awards go to graduating students who improved the business school experience in outstanding ways. The awards are supported by an endowment that honors business leader, philosopher, and educator **Frank Sullivan Moran**.



Ellora Gupta, BBA '12, led U-M’s first independent TED conference and was the first BBA co-chair of the Asia Business Conference. She also was a leader of the Human Powered Submarine Team. Gupta joined the Procter & Gamble Co.



Jennifer Jaramillo, BSE '02/ MBA '12, was active with the Revitalization and Business Club, Ross Net Impact, the Ross Leadership Initiative, and the Office of Admissions — and did the occasional shuffle in Follies. She is with Accenture.

The Ross Global Citizenship Community Service Awards honor graduating students who made exemplary contributions to the communities at Ross and beyond. Conceived by students in 1998, the awards are supported by gifts from club members, students, faculty, staff, and alumni.



Seth Greenberg, MBA '12, co-founded Community Action at Ross and led the Ross Social Venture Fund. He also assisted underserved communities in Mexico through his Multidisciplinary Action Project (MAP). Greenberg is with Ernst & Young.



Stephanie LaRue, BBA '12, coordinated the PhD Practice Teaching Program, was president of the BBA Marketing Club, and was a leader in the Circle K service organization. She joined McKinsey & Co. ✦

Tauber Delivers a Win

The Tauber Institute for Global Operations received the inaugural UPS George D. Smith Prize for effectively and innovatively preparing students to be good practitioners of operations research, management science, or analytics. The Institute for Operations Research and the Management Sciences, the premier organization for advanced analytics professionals, presented the award in April.

“This is a testament to the students and alumni of the Tauber Institute for Global Operations, who repeatedly demonstrate to our project sponsors the breathtaking ROI that can be achieved through the intelligent use of OR, MS, and analytics,” said Goff Smith Co-Director **Larry Seiford**.

The UPS George D. Smith Prize was created in the spirit of strengthening ties between industry and the schools of higher education that graduate young practitioners of operations research.

“Our program was designed as a collaboration between the Ross School and the College of Engineering, with strong support from industry, to provide students with superb educational experiences directly related to the current needs of industry,” says Seiford.

In 2011, graduate students comprised 33 teams working on substantive issues for sponsoring companies through their 14-week summer projects. As a result, the students earned or saved sponsors \$600 million over three years, with significant operational benefits.

The three finalists in the competition for the 2012 UPS George D. Smith Prize included teams from Cornell University and Lehigh University. ✦



MAKING SUCCESS FOR MAKE-A-WISH

The MBA Class of 2013 knew it had made an impact for the Make-A-Wish Foundation of Michigan during the Ross Leadership Initiative Foundation Session in August 2011. But they later learned that the \$70,000 they raised in 48 hours earned them the Make-A-Wish Strength Award, given to the year’s top group or external fundraising initiative. Ross was chosen over nearly 200 third-party events and fundraisers held annually to benefit the nonprofit, which grants wishes to children with life-threatening conditions. Make-A-Wish executives **Karen Davis** and **Michael Pettibone** presented the award to **Nellie Tsai, MBA '13**, and **Sara Knechtel, MBA '13**, in May. ✦

Student Funds Make Investments

It was a busy few months for the Social Venture Fund (SvF) and the Wolverine Venture Fund (WVF). The student-managed funds, part of the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies, recently invested in three promising startups. In April, the SvF closed its first investment in LearnZillion, a Web-based platform that gives students, teachers, and parents access to a video library of high-quality, standards-based lessons taught by the nation’s top teachers. The fund joined a syndicate of 17 investors in the Series A round investment totaling \$2.4 million.

The SvF’s next move came in July, when it closed an investment in Jack & Jake’s, a sustainable food provider based in Louisiana. The investment round totaled \$225,000 and included lead and prior investor Keller Enterprises, as well as angel investors and New Orleans-based Amcref Community Capital.

“This was so much more than an investment,” says fund member **Emily Rinner, MBA '12**, of the Jack & Jake’s deal. “We had the rare opportunity as students to learn firsthand about early stage investing in socially and environmentally responsible companies. Navigating complicated and sensitive issues like market sizing and valuation, while also strategizing ways to help Jack & Jake’s continue on its growth trajectory, pushed us to learn and work in ways we’d never be able to in the classroom.”

Meanwhile, the WVF made an investment in Sonitus Medical, a medical device company that manufactures the world’s first nonsurgical and removable hearing device to transmit sound via the teeth. The \$25 million Series D round was led by Abingworth and also included investments by Arboretum Ventures and Novartis BioVentures. The WVF first invested in Sonitus in March 2011.

“This round was a tremendous experience for the students,” says **Erik Gordon**, clinical assistant professor of entrepreneurial studies, associate director of the Zell Lurie Institute, and managing director of the WVF. “They were not only able to see the rapid progression of a portfolio company in the past year and participate in its latest financing, but they also got to collaborate on the deal with some very good, well-established venture capital firms from around the world.” ✦



BBA's Learn Business, Ghana-Style

In May, Professor **Jim Walsh** took a group of BBA students to Ghana to learn about corporate responsibility and developing markets as part of his strategy course, "The Corporation in Society." During the trip, students interacted with various sectors of the Ghana economy and assessed its key challenges and opportunities. They also performed community service in a local school and visited Elmina Castle, a major point of disembarkation for slaves coming out of West Africa. One student wrote, "The trip was the most eye-opening experience I have ever had. It truly gave me a global business perspective." ✖

Positively Celebrating

Michigan Ross' Center for Positive Organizational Scholarship (POS) is the inaugural recipient of the Academy of Management's research impact award. The award recognizes researchers or research centers that have had a major impact on management practice in the real world. The POS center was cited for its work to help create purpose-driven organizations and uplifting work environments.

"Producing research that influences academics is rewarding; producing research that also impacts the world of practice is deeply satisfying," says **Bob Quinn**, the center's faculty director. He also is the Margaret Elliott Tracy Collegiate Professor in Business Administration and professor of Management and Organizations.

POS studies what is positive about organizations and the people who comprise them. It then develops ways companies can use the information to affect positive change, such as increasing employee morale, reducing costly turnover, or otherwise improving the managerial aspects of an operation. The center is celebrating its 10th anniversary this year.

The Academy of Management is an internationally renowned scholarly management organization that works to promote excellence and deeper academic understanding of established management disciplines. The award was presented at the academy's annual meeting in August. ✖

MsE LAUNCHES INAUGURAL CLASS

Students from as far away as China, India, and Taiwan descended on Ann Arbor this fall for the start of classes in the new Master of Entrepreneurship Program. The one-year degree is a partnership between the Ross School and U-M's College of Engineering. Most students have undergraduate degrees in engineering or a science field, and most have previous entrepreneurial experience from school or post-graduate employment. "The entire MsE faculty is excited about the novel structure and features of this program, as well as the quality of our incoming class," says program co-director **Bill Lovejoy**, who also is the Raymond T. Perring Family Professor of Business Administration and professor of technology and operations. "We're going to rock the world!" ✖



Crossing Over

Beginning in 2013, Michigan Ross professors will cross Tappan Street to teach new courses at the U-M Law School. During Winter Term, Professor **Fred Feinberg** will be offering "Marketing for Lawyers," while Professor **Eric Svaan** will teach "Operations for Lawyers." Faculty plan to offer courses in business economics and management and organizations during the 2013-14 academic year. "Our collaboration with the Law School represents the growing demand for advanced management thinking in a variety of professions, particularly those where professionals must also manage partnerships," says Dean **Alison Davis-Blake**. "This further demonstrates our school's leadership in offering strong, cross-disciplinary business education." ✖

Around the World with MAP 2012

In 1992, the University of Michigan Business School debuted the Multidisciplinary Action Projects (MAP) course, with the goal of getting students out of the classroom to scope and solve actual problems at real companies. Twenty years later, MAP continues to be the cornerstone action-based learning experience for Michigan Ross MBAs, counting nearly 8,200 first-year students participating in more than 1,600 projects for more than 800 organizations since its inception. The reach of MAP continues to grow; this year nearly 50 percent of projects contained an international component — a new record. These images showcase the breadth and diversity of sponsoring firms and projects in 2012.

1 Vision Spring INDIA To develop a distribution model and marketing strategy for the social enterprise, students conducted interviews in a small village. Their new friends included a 102-year-old man. His long life could be attributed, in part, to the generosity of his village. “This village stood out because the mayor was very supportive of the eye screening camps our sponsor conducted. He lent money to residents who couldn’t afford glasses,” says **Calvina Cheng**.
Pictured: Raj Sharan and Cheng.

2 Chrysler Group LLC AUBURN HILLS, MI Developing a comprehensive marketing launch plan for this Big Three company didn’t just mean dealing with cars. While working alongside **Ashraf Khan** from Chrysler (far left), **Jason Dietrich**, **Fareed Hussain**, **Matt Newman**, **Jamee Pearlstein**, **Bryant Tang**, and **Andy Caselli** checked out the massive fan that powers the full-scale, aero-acoustic wind tunnel at Chrysler’s testing facility.

3 The Cyst Corp. SOUTH AFRICA Working on a go-to-market strategy for a modeling technology took the Cyst team to new heights. The CEO is an acrobat pilot with several international championships under his belt. Each team member got the chance to fly with the CEO on an acrobatic flight. **Kenny Cao** recalls that everyone “took a plastic bag in case of vomiting, but we all managed to survive.” *Pictured: Vladimir Moshinsky and Justin Vincent.*

4 JP Aquaknit Ltd. ISRAEL To develop a U.S. market assessment and entry strategy, **Cynthia Shih**, **Joseph Brannock**, **Michael Bathurst**, and **Dorothy Gregg** had to get

their hands dirty. The team and company founder **Jonah Gavrieli** (far left), visited a wastewater treatment plant that was testing a new technology — growing special bacteria that filters water. “It was a fascinating topic and, surprisingly, not very smelly,” says Shih.

5 Ruli District Hospital RWANDA When **David Bernardi**, **Bryson Smith**, **Gregory Fisher**, and **John Ranz** weren’t providing recommendations for improving operational efficiency, they took in some of the sights Rwanda has to offer. Their adventures included following a guide who cut a path with a machete in order to track a gorilla family. “This silverback was the leader of the group and paid little attention to us, even though we were less than five feet away,” recalls Fisher.

6 Anschutz Entertainment Group LOS ANGELES To create a strategic marketing initiative that resonates with the GRAMMY Museum’s unique user experience, **Juliet Lawrence**, **Kyle Harder**, **Orsolya Jojart**, **Kelly Bayer**, **Rebecca Sotsky**, and **Grant Hughes** had to find their inner rock star. “The museum does much more than showcase the awards ceremony,” says Bayer. “It celebrates the passion for music that people of all ages share. We came as fans and left as part of the music community.”

7 Rainforest Expeditions PERU MAP teams forged real partnerships with each other, instead of just identifying and maximizing online partnerships for their sponsor. Students from two teams joined forces to explore the ruins of Machu Picchu after spending a week in the Peruvian rainforest. **Paul Fromm**, **Ganesh Kumar**, **Aaron Taves**,

Bryan Chen, and **Dave Warner** are pictured in the residential area of the ruins.

8 Related Companies NEW YORK Working on ways to build public support for Manhattan’s next big real estate development is exciting, but add in the Ross School’s namesake and you have one amazing trip. **Daniel Voce-Gardner**, **Susan Merrill**, **Sarah Gudis**, **Eric Nytko**, **Neeraja Lammata**, and **Joel Dabu** spent time with **Stephen M. Ross**, BBA ’62 (far left), discussing career success, professional football teams, and more. “It was an amazing look at premier Manhattan real estate,” says Lammata.

9 Bharti Airtel INDIA This team didn’t just improve customer adoption and retention for the Indian telecom giant; they took the project to heart. **Miguel Flores**, **Maggie Ly**, **Sara Perelli-Minetti**, and **Lemu Coker** synchronized a victory jump at the conclusion of their project. “We were inspired by the Airtel marketing posters that surround the building and decided to capture our own variation of ‘Alive!’” says Ly.

10 Facebook Inc. MENLO PARK, CA Students liked their status as the Facebook MAP team, which was tasked with recommending strategies to improve the customer experience. They also friended the environment at one of the world’s most talked-about companies, spotting **Mark Zuckerberg** and **Sheryl Sandberg** and taking advantage of many culinary perks. “I think our group was surprised to learn that Facebook seemed to still be in the start-up phase,” says **Atusa Garlapati**. *Pictured: Kevin Wong, Caroline Martin, Aniefre Essien, Jasyn Polowitz, Welson Li, and Garlapati.* ✨



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IN 2012 ...
96 PROJECTS
44 NEW SPONSORS
28 COUNTRIES
49 DOMESTIC PROJECTS
47 INTERNATIONAL PROJECTS
500 STUDENTS

Faculty Appointments, Accolades, and Awards

Rick Bagozzi was named **Ross Researcher of the Year**. He also received an honorary doctorate from the King of Norway on behalf of the Norwegian School of Economics. He is the Dwight F. Benton Professor of Behavioral Science in Management.

Melanie Barnett, chief executive education officer, was elected **chair of the board for UNICON**, the International University Consortium for Executive Education.

Rajeev Batra won the **Victor L. Bernard Teaching Leadership Award** at Ross for path-breaking curriculum design and flawless execution, and for advising and mentoring colleagues and students. He is the Sebastian S. Kresge Professor of Marketing and director of the Yaffee Center for Persuasive Communication.

Norm Bishara won the **Academy of Legal Studies in Business' Junior Faculty Award for Excellence**. His paper, "The Evolution of Employee Restrictive Covenant Legislation," earned Outstanding Proceedings Paper honors at the academy's recent conference. Bishara is assistant professor of business law and business ethics.

Scott DeRue received **Ross' Stein Research Scholar Award** and the **Executive Education Teaching Impact Award (Open Enrollment Programs)**. He was cited for developing the Emerging Leaders and Adventure Learning programs for executive education. DeRue is assistant professor of management and organizations.

Jane Dutton received the **Scholarly Contributions to Management Award** from the Academy of Management, the academy's equivalent of a lifetime achievement award. She also received



Jane Dutton received congratulations from Dean Davis-Blake for her recent honors.

the Distinguished Scholar Award for the managerial and organizational cognition division. Dutton is the Robert L. Kahn Distinguished University Professor of Business Administration and Psychology.

Roman Kapuscinski earned the **Ross CORE Award** for his impact on research, mentoring of junior faculty, contributions to the PhD and MBA programs, and leadership of the Tauber Institute for Global Operations. He is professor of technology and operations and the Ford Motor Company Co-Director of the Tauber Institute.

Francine Lafontaine won the **Senior Faculty Research Award** for her influential research, reputation as a thought leader, and dedication to Ross. She is the William Davidson Professor of Business Economics and Public Policy.

Peter Lenk was named a **fellow of the American Statistical Association**. He is a Michael R. and Mary Kay Hallman Fellow and professor of technology and operations.

Feng Li received the **Jones Research Scholar Award** for faculty excellence

at Ross. He is associate professor of accounting.

Ted London won a **2011 Dr. Alfred N. and Lynn Manos Page Prize for Sustainability Issues in Business Curricula** for his course, "Business Strategies for the Base of the Pyramid." London is director of the Base of the Pyramid Initiative at the William Davidson Institute and adjunct assistant professor of business administration.

Brent McFerran received the **Arnold M. and Linda T. Jacob Faculty Development Award**, which provides funding for faculty to explore new research.

M.P. Narayanan earned Ross' inaugural **Executive Education Teaching Impact Award (Custom Programs)** for his development of innovative executive education programs. He is the Robert Morrison Hoffer Professor of Business Administration and professor of finance.

Catherine Shakespeare received the **Teitelbaum Research Scholar Award** for scholarly excellence at Ross. She is associate professor of accounting and faculty director of the Master of Accounting Program.

Ned Smith received the **Bank One Corporation Professorship**, a one-year appointment that recognizes promising junior faculty at Ross.

Maxim Sytch received the **Sanford R. Robertson Professorship** at Ross, which recognizes early career achievement.

Carolyn Yoon was named a **fellow of the Association for Psychological Studies**. She is associate professor of marketing. ✦

New Scholars Join Ross Faculty



Ryan Ball
assistant professor
of accounting



Kyle Handley
assistant professor of
business economics



Jun Li
assistant professor
of technology and
operations



David Maber
assistant professor
of accounting



Kanishka Misra
assistant professor
of marketing



Isacco Piccioni
assistant professor
of finance



Martin Schmalz
assistant professor
of finance



Leigh Tost
assistant professor
of management and
organizations

“Lady Gaga has leveraged social media as well as anyone.”



BRENT McFERRAN, Arnold M. and Linda T. Jacob Assistant Professor of Marketing, on the strength of the pop diva’s fan base due, in part, to the personal connection they feel to her.
—Fox Business, July 23, 2012

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“We face a very large fiscal imbalance due to the promises made through Social Security and especially Medicare, [where] we’re tens of trillions short.”

JOEL SLEMRD, Paul W. McCracken Collegiate Professor of Business Economics and Public Policy, on the challenges of fixing the federal deficit through taxation alone.
—NPR’s “All Things Considered,” April 15, 2012

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“Is it a good market? No. I would describe it as neutral. The worst is definitely over.”

DENNIS CAPOZZA, Dykema Professor of Business Administration and professor of finance and real estate, on signs that the housing market in Michigan may be improving.
—Detroit Free Press, April 29, 2012

...

“Loved brands reflect and symbolize deeply held personal values, such as Apple does for creativity. Windows and Live lack this brand strength.”

RAJEEV BATRA, Sebastian S. Kresge Professor of Marketing, on the demise of Microsoft Windows Live.
—The New York Times, May 26, 2012

“It’s not like they were watching someone being shot by a drug cartel.”

DAVID MAYER, assistant professor of management and organizations, on research showing most people who make unethical choices still think of themselves as good people because business isn’t a moral domain.
—Forbes, July 19, 2012

...

“Cultural differences are likely. The bias should be less pronounced in cultures ... where drinking is more common.”

SCOTT RICK, assistant professor of marketing, on research showing job candidates who ordered a glass of wine during an interview were perceived as less intelligent.
—The Economist, July 31, 2012

...

“At the heart of it ... is their bottom line. Water is a finite resource, and they desperately realize that it could become a major problem.”

TOM LYON, Dow Professor of Sustainable Science, Technology, and Commerce and professor of business economics, on beverage companies’ decisions to invest millions in water conservation projects in recent years.
—The Washington Post, Aug. 8, 2012

“The more people learn about private equity, the more they understand it serves a useful purpose.”

DAVID BROPHY, associate professor of finance and director of the Office for the Study of Private Equity Finance, on how confusion over Mitt Romney’s role at Bain Capital became a hot-button political issue.
—Boston Globe, Aug. 12, 2012

“It’s certainly not a vote of confidence when a guy who knows as much about it as Peter Thiel ... wants to get the rest of his stock into a position so that he can sell it quickly.”



ERIK GORDON, clinical assistant professor of entrepreneurial studies, on the Facebook Inc. director’s move to convert more than nine million shares from Class B to Class A, which are easier to trade publicly.
—Bloomberg Businessweek, Aug. 15, 2012

“It’s as if the negotiator wears his organizational rank on his face.”



SHIRLI KOELMAN, clinical assistant professor of management and organizations, on how facial expressions of negotiating parties can influence outcomes.
—The Marker magazine (Israel), August 2012



Acting on the New Healthcare Act

Professor Tom Buchmueller gained a firsthand view of the Affordable Care Act during a year on the Council of Economic Advisers

Tom Buchmueller spent the morning of June 28 like many Americans, awaiting the U.S. Supreme Court's ruling on the Affordable Care Act (ACA). But he had more skin in the game than most. Buchmueller, who is the Waldo O. Hildebrand Professor of Risk Management and Insurance and professor and chair of business economics and public policy, had just wrapped up a year-long stint as senior health economist for the president's Council of Economic Advisers. His task: help implement the controversial legislation. The court's affirmation of the law was a major relief for Buchmueller, who wanted to see the policy on which he assisted continue. But it was just the first step. In this Q&A, Buchmueller discusses the tough tasks ahead, what the ongoing political battle could bring, how the insurance and healthcare industries are gearing up, and how he spent his year in Washington, D.C.

DIVIDEND: Now that the Supreme Court upheld the Affordable Care Act, what should we be thinking about, aside from the ongoing political arguments?

BUCHMUELLER: For the government, much work remains to be done by 2014, when the health insurance exchanges must be up and running and the expansion of Medicaid goes into effect. Over the longer term, both the government and the private sector must figure out how to control the growth in health spending. Healthcare, as a percentage of the



economy, has been growing steadily. Eventually that growth will be unsustainable. Increased health spending brings real benefits, in terms of better health and longer lives. But if we don't bend the cost curve, that growth will crowd out other important priorities.

DIVIDEND: Was it the right policy call to expand coverage before designing a plan to control costs?

BUCHMUELLER: Yes. We know more about how to expand coverage than how to control costs. Cost control will take a long time to craft and even longer to implement before we see any effect. To say we're going to control costs before expanding coverage is effectively saying we'll never expand coverage. Also, when you have wider coverage and costs rise, you're forced to be more serious about taking action. Massachusetts is having a more serious discussion about cost control because it enacted a similar system to the Affordable Care Act.

DIVIDEND: What was your specific role as senior health economist for the Council of Economic Advisers (CEA)?

BUCHMUELLER: I was the CEA's point person on all issues related to health policy, of which the Affordable Care Act clearly was the biggest. The act was passed in March 2010, and now the departments of Health and Human Services, Treasury, and Labor are writing the regulations and other types of guidance necessary to implement the law. I represented the CEA on the team of people from those departments and the White House. A related issue I worked on had to do with ensuring we would have the right data to evaluate the impact of the ACA. This involved helping different statistical agencies add new questions to federal surveys and examining how we could leverage administrative data for research. In addition to these types of longer-term projects, short-term issues arose that required some type of quick analysis. It was an exciting year and an interesting time to be in Washington.

DIVIDEND: Was the constant political milieu surrounding the ACA difficult?

BUCHMUELLER: It was interesting. But because there's so much work left to do to get these health insurance exchanges set up by January 2014, I didn't have a lot of time to worry about the politics. It always was in the background, but it didn't influence a lot of what I did.

DIVIDEND: What does the health insurance industry think of the ACA?

BUCHMUELLER: The ACA introduces a number of important new consumer protections that will change the individual health

insurance market significantly. Premiums no longer will be allowed to vary according to an individual's health status, and insurers won't be able to deny or limit anyone's coverage on the basis of a pre-existing condition. The individual mandate is critical to ensuring that the new rules will be effective.

Without the mandate, these rules could have the unintended effect of reducing coverage. If everyone doesn't have to maintain insurance coverage, a law that says insurance companies must cover you no matter your health status creates an incentive for people to wait until they are sick before buying health insurance. So the insurance industry was very concerned about the fate of the individual mandate. I would think they are relieved it was upheld.

Another major change facing the industry will come from the health insurance exchanges. Because the vast majority of today's private health insurance is employer-based, large insurance companies get most of their business by selling to large employers. With the health insurance exchanges, insurance companies will have to think about marketing to individuals in a way they haven't before.

DIVIDEND: How big is the opportunity for insurance companies?

BUCHMUELLER: The estimate is that the ACA should expand coverage to 30 million Americans. Half of that is expected to come from the Medicaid expansion and half through these exchanges. Since most state Medicaid programs contract with private insurers, both pieces of the expansion represent a significant opportunity for the industry. Insurance markets in most states are very concentrated, with few insurers. I think it has the potential to allow some smaller insurers, or insurers that are new to the market, to come in and compete on a level playing field in markets where maybe they felt disadvantaged before.

DIVIDEND: The Supreme Court struck down the part of the ACA that allowed the federal government to penalize states that opt out of the Medicaid expansion. So now some states are saying they may opt out. How will that affect the coverage estimates and the effectiveness of the law?



▶ Tom Buchmueller recently completed a one-year appointment on the president's Council of Economic Advisers.

BUCHMUELLER: The cost of Medicaid is split between the federal government and the states. With the ACA Medicaid expansion, the federal government will incur a much larger share of the cost than it does currently. For the first few years, the federal government is picking up 100 percent of the incremental cost; by 2020, the federal share will level off at 90 percent. This is a very good deal for the states. For 10 cents on the dollar, they get a substantial increase in the number of insured residents.

Some states are saying that even 10 percent of the cost is more than they can afford. It is true that state budgets are tight and Medicaid accounts for a very large fraction of public spending in every state. But people who say that their state cannot afford the Medicaid expansion ignore the fact that it will reduce the need for existing programs that fund indigent care, which lowers the state cost of the expansion even more. And the expansion will benefit healthcare providers in the states, since they won't be as burdened by uncompensated care.

This clearly is a hot political issue, and at this point, many arguments made by governors and state legislators are driven more by election-year politics than detailed policy analysis. A lot of evidence suggests that expanding health insurance coverage improves access to care and ultimately improves population health. My hope is that state policymakers will recognize this and conclude that going through with the expansion is in the best interest of their state, even in these challenging fiscal times.

DIVIDEND: Given the political backdrop and the fact that some states may opt out of the Medicaid expansion, will implementation be rocky?

BUCHMUELLER: As I said, a lot of work remains between now and January 2014. The legislation envisioned states taking the lead on the exchanges, though because of politics, many have dragged their heels. Some said it didn't make sense to move forward until the Supreme Court ruling and now are saying they need to wait until after the election. The fact that the individual mandate was upheld means implementation of the insurance market reforms should go smoothly — certainly smoother than if the mandate were struck down but the other reforms remained. But the ruling on the Medicaid expansion introduces new uncertainty. Also, we may have to tweak the law in ways we can't think of right now. Until you start enrolling consumers in these plans, you don't know how it will work. As much as the ACA draws on research experience with other coverage expansions, we're doing a lot of things for the first time.

DIVIDEND: Employers with more than 50 workers must offer health insurance or pay a penalty. Might we see these companies drop coverage because it's cheaper to pay the penalty?

BUCHMUELLER: Some employers might choose to drop coverage once their employees are eligible for tax credits through an exchange, though other workers may start to receive employer-sponsored insurance because of the ACA. On net, the best estimates are that the number of people with employer-sponsored insurance will not change much.

In anticipating how employers might respond, it is useful to distinguish three different types of employers. Essentially, all firms with more than 100 employees currently offer health benefits. These firms aren't likely to drop coverage. Today, the business case for offering health insurance comes from the favorable tax treatment of employer-sponsored coverage and the cost advantages of providing coverage through a large group. The ACA does not fundamentally alter this business case. In fact, because large employers will face a penalty if some of their employees end up getting tax credits in an exchange, the ACA should make them even less likely to drop coverage.

Firms with fewer than 50 employees will not be subject to penalties if they don't offer insurance. For small firms, especially those with a predominantly low-wage workforce, their employees may be better off getting coverage through the exchange, where they will qualify for generous subsidies. But small, low-wage firms tend not to offer insurance in the first place.

In between are mid-sized firms that offer insurance currently. In some cases, they will decide that the value of the current tax subsidy is greater than the exchange subsidies their employees would qualify for, so they will maintain their coverage. In other cases, the workers will be better off if the firm drops health benefits and increases their wages. This tradeoff might be worthwhile even if the employer has to pay a penalty. It also is important to keep in mind that the individual mandate may cause some workers to accept employer-sponsored coverage they previously had declined, and the individual mandate plus the employer penalties may induce some firms to start offering coverage.

While it's hard to predict how these various responses will net out, the best evidence suggests that the overall change in the number of people with employer-sponsored insurance will be small.

DIVIDEND: How might the presidential election affect the ACA? Mitt Romney said he'd work for its repeal, if elected.

BUCHMUELLER: The way that healthcare reform has played into the election debate has been interesting, if a little weird. The ACA was modeled on the Massachusetts reforms that were enacted under Governor Romney. So candidate Romney has the difficult job of running against his own policy, which is made more difficult by the fact that those reforms have been successful in achieving their policy goals and in terms of public support. Like other opponents of the ACA, Romney as a candidate has been vocal about his desire to repeal the law — but less clear about what he would put in its place. ✎ —*Terry Kosdrosky*



The New Global Challengers

A new book by Professor Rajeev Batra examines how emerging multinational companies pose a serious threat to established brands

Emerging nations, long seen as a source of low-cost services like manufacturing and IT support, now house a new breed of multinational company. These new players, stepping from the background and building global brands, seriously threaten established firms in North America, Europe, and Japan.

How can companies with lower R&D budgets, less access to talent, little brand awareness, and reputations for low quality keep the likes of General Electric Co. CEO **Jeff Immelt** up at night? And how do established players counterattack? It's all covered in *The New Emerging Market Multinationals* (McGraw-Hill, 2012), by marketing professor **Rajeev Batra** and INSEAD professor **Amitava Chattopadhyay**, with Professor **Aysegul Ozsomer** of Koc University in Turkey.

"It's no longer about selling stuff at lower prices or being

the supplier of private-label or original-equipment companies in the West," says Batra, the Sebastian S. Kresge Professor of Marketing and director of the Yaffe Center for Persuasive Communication. "These companies are mastering design, R&D, and focused innovation, so they're getting better at building brands and marketing overseas. They have ambition, vision, and confidence. The confluence is a double-barreled threat."

Emerging-market multinational corporations, or EMNCs, are growing fast. In 2005, 44 sat on *Fortune's* list of the top 500 global firms. By 2010, the number had jumped to 113. Companies like Taiwan-based mobile phone maker HTC Corp., which makes Sprint's Evo 4G and Google's Nexus, have brand cachet and global market share, while retaining the low-cost advantage entwined in their DNA.



Batra and his co-authors examine this phenomenon with a deep dive into 39 EMNCs, including interviews with top executives and research on their practices and strategies.

The book provides a critical snapshot of modern global business at a time when much of the world's future growth is expected to come from emerging countries.

"HTC came from nowhere to become No. 3 in the global smart phone market," Batra says. "China's Haier Group has a 5-percent share of the global white goods appliance market. I wanted to examine how they did it."

The researchers found EMNCs use four main strategies to challenge Western and Japanese companies.

- **Cost leaders:** Companies use, and further develop, a low-cost advantage to build large volumes and extend their reach to developed countries.
- **Knowledge leveragers:** Companies use their home-market knowledge and resources to tap into other emerging markets.
- **Niche customizers:** A newer strategy in which companies combine low-cost, flexible manufacturing with newly developed R&D to build customized niche brands in emerging markets.
- **Global brand builders:** Companies combine their frugal manufacturing and R&D expertise with focused innovation to build brands in developed markets. They also may acquire capabilities, including brands.

Some niche customizers and global brand builders started as cost leaders. The low-price segment of any market usually is large, but staying on top is hard, Batra says. As soon as your price is undercut, little is left to offer customers.

Niche customizers leverage their low-cost manufacturing and R&D, and the ensuing flexibility. They can identify a market, go after it, and adjust on the fly. Established global companies typically rely on scale and outsourced manufacturing, and usually lack such flexibility.

The new niche customizers also hit the established giants in their weak spot — knowledge of emerging-market customers.

"Emerging niche players know how to get the biggest bang for their R&D buck, and they don't start with a broad, frontal attack," Batra says.

The next step, global brand building, brings the niche strategy of focused innovation to established markets. These companies largely mimic Apple's model of minimizing R&D spending, but add a laser focus on market-moving, disruptive products or services.

While EMNCs' budgets aren't as big as an IBM or GE, the sophistication is. And as they grow, they retain the lean, agile advantages of their low-cost heritage.

This means emerging-market multinationals are beginning what Batra calls a "virtuous cycle" of building a stronger brand, charging a higher price, and earning a higher margin — then

deploying that new capital into R&D. Some capital also has been used to quickly bring top brands in house. For example, India's Tata Motors acquired the legendary Jaguar and Land Rover brands.

"Once you get into that cycle, it keeps building," Batra says. "They know they need talent and a corporate culture that rewards innovation. HTC modeled theirs on Silicon Valley. As for talent, EMNCs are hiring Western executives and expatriates with experience at established multinationals who are interested in coming home."

Social media also accelerates and broadens EMNCs' buzz, which helps them compete against larger companies with bigger advertising budgets.

So how do established multinationals compete? The book suggests big companies play to their strengths.

Traditional multinational companies have brands that still are considered leaders in technology and quality. They have an aspirational element some newer brands haven't yet attained. Batra suggests a "shock and awe" marketing strategy around these brands.

"Traditional multinational companies can do things that emerging competitors can't," he says. "They can sponsor the Olympics and the World Cup. They can have major celebrities endorse their products."

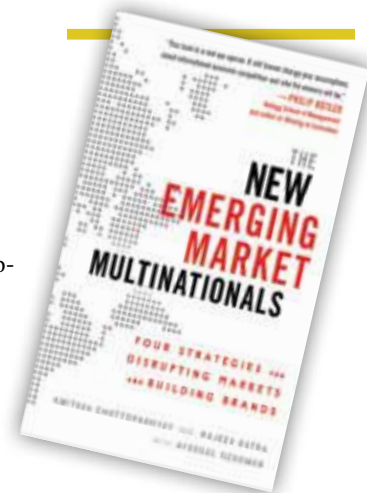
On the strategy side, established players should consider a flexible brand architecture that relies less on standard global offerings and more on sub-brands for emerging markets, leveraging the appeal of the global brand yet meeting local needs and wants.

Batra warns one prior strategy no longer works — ignoring emerging-market competitors.

"They can still counter emerging companies, but they need to figure it out quickly," he says. "EMNCs have the potential to do damage. Their brands are growing in trust and confidence, especially in the markets poised for highest growth. Emerging-market multinationals have the opportunity to take a huge chunk of global share." ✦ —Terry Kosdroosky



➤ In the coming months, Batra will teach "Challenger Positioning and Branding for Emerging Markets" for Ross Executive Education in Hong Kong and Mumbai. www.execed.bus.umich.edu





Operations Science for the Operating Room

Ross professors bring lessons from heavy industry to healthcare in their new book

While this year's big healthcare news came from the U.S. Supreme Court (see related story, p. 14), plenty of industry issues command attention. By some estimates, the U.S. spends \$480 billion annually on costs that don't improve care. About 98,000 people a year die from preventable mistakes.

Let others debate the Affordable Care Act or other policy changes, say operations professors **Wally Hopp** and **Bill Lovejoy**. Their focus is on improving the industry regardless of which regulatory scheme wins out.

Their prescription — the result of years of work with physicians and hospitals — recognizes that the policies and planning that garner so much press are mere preludes to the all-important transaction between patient and healthcare provider. Hopp and Lovejoy focus on this transaction within the hospital context and show how to make it faster, more reliable, and higher quality.

By focusing at the hospital instead of industry level, their solutions help make healthcare more efficient regardless of policy regime.

Their new book, *Hospital Operations: Principles of High Efficiency Health Care* (FT Press, 2012), shows healthcare professionals how to apply basic principles of physics, information, and human behavior in a hospital context. Hopp and Lovejoy's co-authors include physicians and nurses — people on the front lines of delivering care.

"Other books either speak the medical language but aren't deep analytically, or they are deep analytically but don't speak the medical language," says Lovejoy, the Raymond T. Perring Family Professor of Business Administration and professor of technology and operations. "We fill that gap by doing both."



UNIVERSAL PRINCIPLES Hopp and Lovejoy take a balanced approach — quantitative when necessary, more behavioral when appropriate — to present a science of operations for hospitals. They first define general principles of management that have been proven effective and stand the test of time. They then identify several management challenges in hospitals and apply the principles to generate potential solutions.

“The systems are broken in healthcare, not the people,” says Hopp, associate dean of faculty research, Herrick Professor of Manufacturing, and professor of technology and operations. “We focus on three recurrent problems in hospitals — congestion, patient safety, and organizational learning. Operations science says effective ways to improve those areas are as applicable in a hospital as they are anywhere.”

In systems that haven’t yet been rationalized, just using basic principles without making structural changes can result in a 10-percent efficiency improvement.

“Ten percent, if applied industrywide, adds up to around \$85 billion annually,” Hopp says. “That’s possible simply by getting the basics right.”

The book encourages medical professionals to view healthcare delivery as a series of flows. Patients flow into and through the system. Physicians and nurses have their own trajectories through the system, as do materials and information. Any or all of these can be held up by bottlenecks, which constrain output. Many hospitals work on non-bottlenecks, which is why their projects often yield little. For example, if a hospital has a great admissions system but a poor discharge system, it negates the efforts to improve admissions.

That breakdown occurs because some important principles for managing flows are poorly understood.

“Few people understand the deteriorating effect variability has on any processing system,” Lovejoy says. “It’s not like the idea of an average or mean, something everybody has a gut feel for. When you think in terms of average, you’ll try to pack 10 hours’ worth of operations into 10 hours of operating room time. But when variability is present, as it always is, this can be disastrous. It’s the inevitable result of operational physics, a theory of variability you can take to the bank. You can’t argue or motivate your way around it; you have to deal with it. But it’s not intuitive or easy to understand.”

GREAT BRAINS BRAINSTORMING The good news is medical professionals want to learn and apply this knowledge, say Hopp and Lovejoy. No one they asked to help them write the book said no.

“The field is full of smart people,” Hopp says. “They’re in a complex system with many competing objectives. It’s easier to make local improvements than global changes, but they need systemwide changes.”

The book helps practitioners achieve wider influence by using a brainstorming technique.

“We use principles that generate a landscape of possible options. Some will be politically and economically feasible, some will not,” Lovejoy says. “It’s a way to generate broad-minded problem solving based on principles you can count on. Our brainstorming approach gives people so many options to consider that it broadens their minds about what’s possible. Over time, they become accustomed to thinking more creatively.”

DISRUPT OR BE DISRUPTED Efficiency gains and new ideas are critical to big, full-service hospitals because more innovation is coming from independent clinics that threaten to pull away their patients — mostly the well-insured ones.

For example, MinuteClinic can diagnose and treat strep throat for \$60 in under an hour. A hospital ER would take longer and spend more to do the same thing, Hopp says.

If spin-off competition uses focused operations to take the easy, lucrative business, full-service hospitals will be left with underinsured, critical cases that come with high costs.

“The idea is to create a hospital within a hospital, instead of having everyone enter through the emergency department and occupy expensive resources,” Hopp says. “It hasn’t been very successful to date, but it’s the kind of structural change that’s going to get them beyond the low-hanging fruit.”

Hopp and Lovejoy wrote this book to help harried hospital professionals step back and analyze their jobs differently.

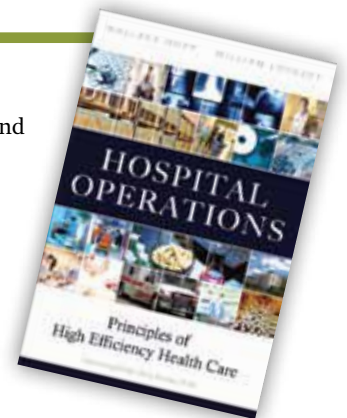
“Their world is chaotic, and it’s about fighting fires all the time,” Lovejoy says. “We bring some perspective: Here’s why you’re fighting fires, and here’s what to do about it. It’s a message people want to hear.” ✨ —*Terry Kosdrosky*



› Hopp is associate dean of faculty research, Herrick Professor of Manufacturing, and professor of technology and operations.



› Lovejoy is the Raymond T. Perring Professor of Business Administration and professor of technology and operations.



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Q: What are you thinking about?

A: LEADERSHIP

An enduring question in business (and other fields) is whether leadership can be taught or leaders are just born that way. Professor **Scott DeRue**'s research centers on leadership, and he has designed learning experiences that enable people to develop their leadership abilities. This involves teaching people how to learn, as well as how to take away lessons from an experience and apply it to their business lives. DeRue, assistant professor of management and organizations and co-director of the Ross Leadership Initiative, uses his research to innovate new experiences and improve a person's ability to learn from them.

WHAT ARE YOU THINKING ABOUT? If we take seriously the idea that leadership is learned through experience, there are two fundamental implications for what we do at Ross. First, we must design high-impact experiences that test and develop leadership competencies. Second, we need to teach people how to learn from their experiences. My current research addresses these issues.

Over the past year, we developed the Michigan Model of Leadership, which has three key elements. First is the leadership purpose: to make a positive difference in the world. Second is the core values that we strive to exhibit and live by in our leadership: integrity, courage, empathy, and drive. Third is the set of leadership competencies that our students need to excel in today's complex and dynamic world: driving creative change, delivering robust business results, creating strategic structures to organize people and activities, and developing collaborative cultures where the community is greater than the sum of its parts.

My current research focuses on how to design learning experiences that enable our students and executives to develop the key components of the Michigan Model of Leadership. This research emphasizes novel challenges that force people to be resilient and adaptive in the face of change, leverage diversity, and work across organizational boundaries. These experiences require people to manage large amounts of scope and scale, where success and failure are visible and the stakes are high. With the Ross Leadership Initiative team, we are translating

the principles of this research into real-life challenges that our students experience during their time here.

With Professor **Sue Ashford**, my research on mindful engagement is aimed at helping people learn how to learn. We focus on what people can do prior to a developmental assignment to ready themselves for learning, and explore how people go through experiences in more mindful ways. In one of our studies, we were able to increase students' job offers and starting salaries by 10 percent with the use of our mindful engagement tools.

WHY IS THIS INTERESTING TO YOU?

Our mission at Ross is to develop leaders who are capable of making a positive difference in the world. As we aim to shape leaders who excel in taking on the challenges of today and tomorrow, understanding how to design experiences and support individuals' learning from those experiences is fundamental to who we are as an institution. My belief is that teaching people how to learn is as important as teaching them how to lead.

WHAT ARE THE PRACTICAL IMPLICATIONS FOR INDUSTRY?

Firms in the United States spend about 25 percent of their training budgets on leadership development. If those investments are not focused on the right developmental experiences, or if the people going through those experiences are not mindfully engaged in them, the return on investment will be severely disappointing. My research helps individuals and organizations achieve greater returns on experience-based leadership development. ■





A: MEASUREMENT

Want to see a meeting of accountants get ugly? Just mention fair value accounting. One of the biggest rifts in the field concerns whether financial instruments should be recorded using fair value accounting (which is the best estimate of current market value) or amortized historical cost. So on which side does accounting professor **Cathy Shakespeare** stand? The grown-up side. Instead of arguing about which is better or worse, she says a more useful debate would center on how to make financial reports better. Her research has shown that which method works best depends on the context, e.g., what are you measuring, and for what purpose? Shakespeare — the Teitelbaum Research Scholar, associate professor of accounting, and faculty director of the Master of Accounting Program — thinks the squabbling muddles accounting's ultimate mission. That is, accountants should be more concerned with giving as clear of a picture as possible about a company's financial position to the people who need it.

WHAT ARE YOU THINKING ABOUT?

Accounting is about measurement, and a lot of my research has been on financial instruments — how they should be recorded, and what impact that has on people's understanding. I've written a paper where we look at assets and liabilities of financial instruments and measure them by the amortized historical cost method, which is the Generally Accepted Accounting Principle, and the fair value method. What we found is a stronger association between the fair value measurement and two outside measures of credit risk — the bond market and defaults. We looked back from the point of default and recalculated the financial instruments using fair value. We found the farther back you go, fair value does a much better job of predicting. There's a much stronger association with that method and future results.

We did an experiment in another paper to find out how individuals think about fair value. It turns out it means different things depending on the context. The good thing about an experiment is that you can keep everything constant and vary two or three pieces of information. So the way people viewed fair value accounting varied depending on whether we were measuring an asset or a liability, and if we were holding something for a while or selling it now.

What I'm trying to do with all of this is get away

from the inflammatory rhetoric. Let's grow up a bit and make sure we present financial information to users — investors, shareholders, or anyone who depends on it — in the most meaningful way. In some cases, that might mean using amortized historical cost. In others, it might be the fair value. Maybe you want to know both. Two separate groups of users may need the information presented differently.

WHY IS THIS INTERESTING TO YOU?

The information accountants present is at the heart of all capital allocation decisions.

We owe it to users to have the best set of financial statements possible. How we allocate is based on numbers, and the numbers are produced by accountants. So we should be spending our time thinking about how the information impacts the choices people make.

WHAT ARE THE PRACTICAL IMPLICATIONS FOR INDUSTRY?

The American Bankers Association, for various reasons, is strongly against fair value accounting. I think our paper provided evidence that there's a reason why we may want to use it. One of my co-authors was a standard-setter at the Financial Accounting Standards Board, so it influenced how they thought about the issue. ✕



THE NEW SOCIAL SCENE

BY TERRY KOSDROSKY & AMY SPOONER

ROSS ALUMNI HARNESS THE POWER OF BUSINESS TO SOLVE SOCIAL PROBLEMS

The days of attacking social issues with philanthropy alone are ending. A new type of capitalism is taking root, one that measures the bottom line *and* how it can create innovative solutions to society's toughest problems. No doubt, pioneers in this field are figuring some things out as they go along. But they're also proving companies can make money while doing good in the world. Whether it's helping the poor with a basic necessity, funding companies with a social mission, or bringing organic food to the masses, Michigan Ross alumni are leading the charge in leveraging the engine of business to improve the lives of others.

THE ENTREPRENEUR A degree from a top-tier business school should take you anywhere. It's taken **Cynthia Koenig, MS '07/MBA '11**, to an office in India that has no air conditioning and sporadic electricity and water. But the founder of Wello is thinking of bigger challenges.

Some one billion people worldwide lack access to safe water, requiring daily multi-mile treks to viable sources. Wello manufactures

and distributes the WaterWheel, a 13-gallon drum that transports two to four times the amount of water possible using traditional collection methods (e.g., a five-gallon container carried on one's head). It also hygienically stores and dispenses clean water. Because the barrel is attached to an ergonomic handle, anyone can pull or push it.

Five gallons of water weigh 42 lbs., roughly equivalent to a piece of luggage.

The WaterWheel lifts the burden of water collection from the shoulders of the women and girls most often charged with the task, which consumes approximately 25 percent of their day.

"Women have better things to do with their time," Koenig says.

She witnessed the crisis during a William Davidson Institute fellowship in South Africa and launched Wello as a nonprofit to fund water projects. At Michigan Ross, Koenig evolved it into a hybrid social venture that won numerous grants and awards and praise from former President **Bill Clinton**.

Her rationale for the switch was simple: Nonprofits are not designed for efficiency or scale.

A for-profit model ensures the intended beneficiaries choose the solution that meets



THE ENTREPRENEUR

CYNTHIA KOENIG
MS '07/MBA '11
FOUNDER, WELLO

PHOTO BY KUSHAN DAVE

their needs best, says Koenig. “People living on less than \$3 per day must invest wisely. Wello’s sustainable business approach continually pushes us to meet users’ needs in the most effective way.”

To distribute the WaterWheel, Koenig is establishing partnerships with nonprofits and other intermediaries, including ongoing discussions with the United Nations. Wello’s business model challenges her team’s creativity, and they’re exploring options from microfinance to using the barrels as rolling billboards.

Although Wello has a for-profit model, it must raise seed funding, a common challenge for social ventures. To secure \$150,000 for product development and pilot testing, Koenig has garnered grants from impact philanthropists and private donations.

She has been in India since graduation, interviewing more than 1,500 community members, practitioners, and experts to better understand the need. She co-created the WaterWheel’s second design iteration with its intended users, and production began in September. Wello is piloting the device in the northern state of Rajasthan due to its drought-prone climate and the commitment of local communities and partner NGOs. In addition to navigating the usual new-product kinks, the pilot stage will help measure the WaterWheel’s social impact.

Between securing funding, building an India-based team, innovating around accessibility, navigating cultural barriers, and supervising manufacturing, Koenig wears the multiple hats known to any entrepreneur – but with an added dimension.

“Social impact is built into our business model. We operate on slim margins, which makes the WaterWheel more affordable and pushes us to reach as many people as possible,” says Koenig. “The better Wello does financially, the greater our social impact.”

THE MONEY Sustainable and socially responsible investing is up 34 percent since 2005, according to the Social Investment Forum Foundation.

This sector has the same challenges of any nascent movement. Does the social



THE MONEY

JOSEPH DU BEY
BBA '07
VICE PRESIDENT, UNITUS IMPACT

PHOTO BY JEFF SINGER

mission come before profits, or vice versa? How do companies with nonprofit and venture capital investors weigh the two? How does one quantify and define an investment’s success with the social mission?

Answering those questions requires risk takers like **Joseph Du Bey, BBA '07**. The pure capitalist with a Wall Street pedigree wanted to do what he enjoyed – investing in great businesses – while making a difference.

Du Bey is a vice president at San Francisco-based Unitus Impact, a venture capital firm investing in early-stage companies that improve the lives of low-income people in Asia. He believes Unitus Impact can make a difference and generate returns that match those targeted by traditional commercial investors.

“We aim to produce market-rate commercial returns for our investors,” Du Bey says. “Too many investors shy away from ‘impact investing’ funds if the funds target lower financial returns. If we are going to mobilize traditional investors into impact investing

and unlock capital markets to achieve more good, we must show that impact and financial success go hand in hand.”

Du Bey came to Unitus Impact after working at Lehman Brothers’ mergers group, Barclays Capital, and private equity firm Lindsay Goldberg.

“It was intellectually engaging, but I wanted my work to carry more meaning,” he says. “I thought it would be great to use my financial skills to directly make a difference in the lives of others. After I learned about impact investing, I sent 30 cold-call emails to impact investing firms I found online. It was a personal experiment.”

Several firms responded, and Du Bey chose Unitus Impact due to its analytical approach to impact investing.

The firm’s investment in India’s Moksha-Yug Access (MYA) illustrates why Du Bey enjoys social investing.

MYA creates an efficient supply chain for rural farmers to sell milk and other agricultural products in bigger markets

THE CORPORATION

STONYFIELD FARM INC.

ERIK DRAKE
MBA '00
EXECUTIVE VICE PRESIDENT
OF MARKETING

LIZ (HAMILTON) SHORT
MBA/MS '05
SOURCING AND SUPPLIER
DEVELOPMENT MANAGER - MILK

PHOTO BY MONICA DONOVAN



for better prices. Many dairy farmers in India must sell their milk in local markets for depressed prices because they lack safe transportation methods.

“Dairy farming is a huge market in India, but it’s very fragmented and inefficient in certain areas,” Du Bey says. “The poor have few options to sell their product, and often supply chains and geography work against them.”

He adds that MYA addresses a pain point in the market and has a positive social impact that directly correlates with financial returns. “The more money MYA’s farmers earn, the more money MYA makes. MYA is growing, and the dairy farmers who function as MYA’s suppliers generate 30 percent more income than before. Through our investment in MYA, we are supporting a strong entrepreneur (**Harsha Moily**) who is building a valuable business.”

THE CORPORATION While many companies talk the talk, Stonyfield Farm Inc. has led the organic walk for nearly three decades, growing from single farm to serious industry player. The company’s mission is to promote organic farming and make organic yogurt products priced for the masses. Stonyfield corners a 6-percent market share without deviating from its four pillars of healthy food, healthy people, healthy planet, and healthy business.

Successful companies can embrace them

all, insists **Erik Drake, MBA '00**, Stonyfield’s executive vice president of marketing. “If we operate correctly around the first three, they’ll drive a healthy business.”

Communicating that message and its value for consumers is Drake’s job, and he admits the company’s ethos sometimes requires tough business decisions. Most competitors aren’t mission-driven, so they have cheaper price tags and larger operating margins for advertising. Yet Stonyfield’s sales have quadrupled in the past decade.

You’ll probably never see a Stonyfield ad on television because the company pursues a more “authentic” approach, says Drake. “Our message is best conveyed through engagement. We’re telling a story that compels consumers to make a purchase and then share that story with others.” The company utilizes social media, digital marketing, community engagement, and other vehicles to convey Stonyfield’s story through video and other mediums. “Everything we do builds a strong foundation for our consumers to be our advocates,” Drake says.

Stonyfield also reduces advertising to cut the cost gap and make organic food available to more consumers, whether they shop at Walmart or Whole Foods. “We must reach people who want to eat healthier wherever they shop,” Drake says.

For Drake to market Stonyfield, **Liz (Hamilton) Short, MBA/MS '05**, must have her ducks (or cows) in a row. As the

sourcing and supplier development manager for milk, Short ensures the milk supply is what Stonyfield claims it to be.

“Our supply chain is critical to our mission,” Short says. “We stand by our label and suppliers 100 percent, and always consider the impact of our business decisions on their farmers.”

Her role encompasses typical sourcing tasks, but being at Stonyfield presents a different twist: Short also focuses on sustainability initiatives and helping Drake’s team bring them to light. “Our farmers are doing phenomenal things that go beyond meeting organic standards,” she says. “I’m helping capture their stories.”

Short also drives Stonyfield’s commitment to organic farmers. “Together with our supplier, Organic Valley, we’re creating a different model by providing farmers with pay that isn’t subject to the roller coaster of conventional pricing,” she says. “This is a key to keeping family farms alive.”

Both Short and Drake embrace Stonyfield’s role-model moniker and the ensuing challenges.

“We like the competition to follow our lead,” says Drake. “That challenges us to bring it to the next level to further differentiate ourselves.”

Adds Short, “We’re not just operating this way because it’s the right thing to do. Everything must make financial sense, or it’s not a good choice. That’s what a mission-driven company is all about.” ❧

Adriana Zirpoli, MBA '95, goes all in as
VP of slot operations at the Wynn Las Vegas

A WYNNING STRATEGY


Las Vegas is a city of oddities. When **Adriana (Reyna) Zirpoli, MBA '95**, first hit the Strip, an MBA degree was one of them. “This industry has been bred from within,” she says. “People started at the bottom and worked their way up.”

Like Las Vegas grew from nothing, Zirpoli crafted her network from scratch. She had never been to the town, knew no one, and had never even set foot in a casino. She knew that success in Vegas meant learning from the experts — and understood that just having a Michigan MBA didn't guarantee she was one.

“You have to be humble about what you don't know and ready to learn,” says Zirpoli. “I've always wanted industry veterans to accept me as one of their own.”

Her approach worked. Through a combination of relationship building and strategic savvy, she has risen through the ranks to vice president of slot operations at the exclusive Wynn and Encore resorts.

BY AMY SPOONER • PHOTO BY ALEX KARVOUNIS



Adriana Zirpoli, MBA '95, is building the bankroll as vice president of slot operations at the Wynn Las Vegas.

What Happens in Vegas ... After two decades in the industry, Zirpoli enjoys working for one of its most famous visionaries.

“**Steve Wynn** creates luxurious properties that people didn’t even know they wanted. Throughout the years, he’s gotten the attention of the entire industry. I wanted to be part of that.”

Zirpoli joined the company in 2011 and captured Wynn’s attention early, when he asked what she thought of the casino’s slot high-limit room. “Not much,” she said. When pressed to name a room in town that passed muster, she couldn’t think of one. Wynn agreed. As Zirpoli and Wynn began plotting their redesign, she learned an important lesson about her new boss. In her mind, the project was a year or so away; Wynn envisioned the revamped room opening in two months. Zirpoli and her team opened the room on schedule, and today it is a must-stop on VIPs’ itineraries.

“Mr. Wynn knew it was the right investment to make for our players. He didn’t overanalyze it; he just did it, and created a magnificent room. It was such a refreshing attitude,” says Zirpoli.

But reconstructing a room for the Wynn’s most favored players wasn’t the only fast-tracked project on Zirpoli’s plate. She and her team simultaneously engineered a carpet change that involved

shifting more than 1,800 slot machines in a record four-week span. A nearby competitor took 12 weeks to pull off a similar change.

Zirpoli says the experiences illustrate why working at the Wynn is so exciting. “We take great pride in what we do and in being the very best. It’s fun and rewarding to lead a team that wants to be the best and will do everything they can to achieve that.”

Letting It Ride That element of fun was a key driver in Zirpoli pursuing an MBA. The Laredo, Texas, native already was the first in her family to graduate from college. While she appreciated the foundation her subsequent accounting career gave her, “I kept thinking that in my next job, I wanted to really enjoy coming to work and be challenged daily.”

As a fellow with the Consortium for Graduate Studies in Management while at Michigan, Zirpoli connected with Promus Hotel Corp., figuring a move to the company’s Memphis headquarters would position her closer to her family. But recruiters had other ideas. The next thing she knew, she was checking into Harrah’s Las Vegas for a job interview.

“The first thing I remember hearing was the ‘ding, ding, ding’

of the slots,” Zirpoli says. “It was the excitement and energy I had been looking for.”

She signed on to a president’s associate MBA rotational program with Harrah’s Entertainment, impressed with then-CEO **Phil Satre**’s commitment to integrating MBA graduates into business operations. “At the time, it was really forward thinking to intertwine people who had business training and people who were industry veterans,” says Zirpoli.

The experience enabled Zirpoli to build relationships with employees throughout the company as she learned the ins and outs of every aspect of the business. She also gained insider knowledge of the next great thing while networking with vendors industrywide. “To this day, I know I can call any of those people for help, from a cashier in the cage to a VP.”

Zirpoli also was able to bring her analytical training to the area that first captured her attention — slots. In an industry that still was largely based on intuition, she gauged the effectiveness of certain machines in certain areas, resulting in moves driven by analysis and strategy rather than a hunch. “You’re analyzing if you have the right games in the right place at the right price point, just like you would in retail,” she says.

During Zirpoli’s four years with Harrah’s Las Vegas, she was part of the team overseeing a \$200 million expansion while minimizing downtime, in order to keep finicky tourists from heading elsewhere. At the same time, the company was expanding beyond Vegas; Satre brought casinos in Lake Tahoe, Atlantic City, and points in between under one corporate umbrella. It was time for the slots strategist to broaden her impact.

“The different properties couldn’t identify their top-performing machines,” Zirpoli says. “We needed a centralized way to collect data.”

Her focus on analytics-driven strategy helped Harrah’s navigate a seismic shift to video slots, which altered floor operations and revenue projections as multiline games increased maximum bets. Video slots also powered the move to ticket-based winnings; as of the mid 2000s, the industry is coinless. “We were running like crazy to keep up with the changes,” says Zirpoli.

Leaving Las Vegas As Harrah’s continued expanding, Zirpoli started outlasting her bosses and grew eager for her shot at being a director. Eventually, she got her chance at the nearby Flamingo. Although just steps from her former employer, the Flamingo operated under a different model where the casino played second fiddle to the hotel. Zirpoli preached reinvestment — especially in video products, where the Flamingo lagged behind competitors. “It was challenging to try changing the mindset of people who had been set in their ways for a long time,” says Zirpoli. “But what has fascinated me throughout my career is the opportunity to experience different approaches to the same business.”

She opted to broaden her experience further when she declined a chance to return to Harrah’s in favor of becoming a national director at Chicago-based WMS, a game developer and manufacturer that had led the casino video revolution.

“YOU HAVE TO BE HUMBLE ABOUT WHAT YOU DON’T KNOW AND READY TO LEARN. I’VE ALWAYS WANTED INDUSTRY VETERANS TO ACCEPT ME AS ONE OF THEIR OWN.”



The gamble paid off. Harrah’s came calling again, with a slot merchandising VP job she couldn’t refuse. It was a time of still greater growth for Harrah’s, and Zirpoli was right at home developing expansion strategy while ensuring that slots had a voice at the table. “I knew so many people at the properties and so many vendors,” she says. “It helped me provide the right voice and effective strategy for my properties.”

But when Harrah’s entered talks to go private in 2007, Zirpoli saw the writing on the wall. “I was working on capital-intensive projects. When you go private, those come to a halt.” As layoffs mounted, Zirpoli cashed out to stay home with her newborn son. She was confident her network would help her reenter the workforce, but didn’t know the Great Recession loomed on the horizon. “I just waited until the time was right to get back in,” she says.

Ultimately, Zirpoli decided to return to Vegas. Soon after, she got a call from the Wynn Las Vegas. The organization needed a well-connected strategist to rethink slot operations, and her industry network and diversified experience made her top of mind.

Jackpot To say the recession hit Vegas hard is an understatement. Before 2008, thousands of new residents poured into the city monthly. By 2010, the city faced one of the country’s highest foreclosure rates and unemployment soared as tourist and convention revenue plummeted. Recovery is a work in progress.

In addition, the rise of online gambling and games on social media has presented new threats. Zirpoli says that what concerns insiders most is the lack of regulation over these competitors. “I don’t know any other industry that’s as regulated as we are. Yet online companies are springing up overnight with none of the same oversight.”

While these challenges put Zirpoli’s strategy and operations know-how to the test, the Wynn’s focus on customer service naturally melds with her commitment to relationship building. “Everybody up and down the street offers the same products,” she says. “What sets us apart is our employees. They know they work at the best on the Strip, so they treat their customers with a first-class service experience.”

As it continues embracing industry changes, Zirpoli is confident the Wynn can maintain its niche. “There’s nothing like Las Vegas, and there’s nothing like the Wynn. People come here because they know they’re getting a higher-level experience.” ■



The Rides *of* His Life

Kevin Mulshine, MBA '87, turned a bad journey with cancer into a fight for patients and survivors

By Terry Kosdrosky :: Photo by Christina Kiffney



SOMETIMES YOU MAKE LIFE-CHANGING EVENTS HAPPEN. **Kevin Mulshine, MBA '87**, did that when he wanted to be an investment banker. The then-accountant was told he needed an MBA and was pointed toward Michigan.

Sometimes, life-changing events happen to you.

Mulshine's cancer diagnosis came as a surprise. It slowly took pieces of his insides and nearly killed him. He had no choice except to endure a long, painful fight.

Today, Mulshine is four-plus years into remission, a positive indicator for the aggressive cancer he had. He's also a co-founder and managing partner of investment banking firm MBS Capital Markets LLC, which helps real estate developers finance big projects.

And the unplanned life event continues to shape the rest of his life.

"From a business standpoint, something like that really keeps you grounded in the fact that you have to uphold a high level of integrity, so the next time you're on your deathbed you're not going to be unhappy with how you did things," he says.

Outside of the office, the near-death experience turned Mulshine's interest in cycling into an annual charity ride around the mountains of Colorado to raise money for cancer patients and their families.

CAREER AUDIT

Mulshine was a CPA at Ernst & Young when he audited a Florida investment banking house in the mid-1980s. The more he learned about the business, the more he liked it and wanted in.

The owner of that firm told Mulshine he'd give him a shot at investment banking if he earned an MBA at a top business school.

"He gave me the names of five schools, one of which was Michigan," he says. "I toured them all but really fell in love in Ann Arbor. I grew up in Miami but was always a fan of the Michigan Wolverines, and the school seemed like a good fit."

The firm, William R. Hough & Co., made good on its offer and hired Mulshine, who rose to senior vice president before moving to Prager, Sealy & Co. LLC.

He had found a profession that suited him well.

"Accounting was a great career. I enjoyed the people and the job, but personally I find more satisfaction when I get to close a transaction and know that a neighborhood is being built, or that I made a difference in building a utility," he says. "I get to say I had a small part in that, which is very enjoyable."

And he's glad he followed his instincts to Michigan.

"I couldn't have been more successful out of any other institution," Mulshine says. "It was a great help to me, not only the actual education, but also the networking. I'm still very close to a lot of the people I graduated with. I gained a skill set that was embraced when I got into investment banking — everything from being able to price bonds to learning how to give a presentation. It was hands-on, real-life experience."

UNWELCOME NEWS

Mulshine was on a roll, living in scenic Colorado with a career he enjoyed and a loving family. But in early 2008, he wasn't feeling well and wasn't getting better. After ignoring some warning signs, he finally went in for tests that spring. The results were close to a worst-case scenario — he had two aggressive types of lymphoma, one of which was rare.

"I didn't really have much time to dwell on it because things deteriorated pretty fast after the diagnosis," he says.



“I made it. They had to literally push me part of the way, but I got to the top, which seemed unfathomable when Roger first mentioned it.”

His only hope was heavy chemotherapy, with surgeries in between the treatments.

But chemotherapy usually produces complications, and Mulshine experienced those in spades. Before his ordeal was over, he would spend 124 straight nights in the hospital, have 12 surgeries, lose his spleen and gallbladder, endure compression fractures to six discs in his back, and suffer lung scarring.

“It was a long regimen and long battle,” he says. “You just fight as hard as you can. It’s the only thing you can do.”

Three times, Mulshine was told the end might be near. The third was the scariest, as his pancreas was leaking and no one could find the reason. Initially, doctors said they would place him in a coma (a risky move), and told him to explain to his family there were no other options.

But one doctor, **Roger Nichols**, couldn’t sleep with that. He stayed up all night examining overlaid images of Mulshine’s pancreas until he found the source of the problem.

The next day, another doctor performed the surgery, which was a success.

Later in 2008, Mulshine got to hear news not all cancer patients receive — the hellish chemo and surgeries paid off. His cancer was in remission.

PAYING DEBT

Mulshine hadn’t forgotten the doctors and nurses who helped save his life, nor did they forget him. Nichols and Mulshine shared an interest in cycling, and the doctor helped Mulshine celebrate his first year of remission in September 2009 with a ride from Boulder, Colo., to Ward — a distance of about

one mile, but a 5,000-foot vertical climb.

“I knew I owed the people who saved my life, and they told me to take this ride and make something of it,” Mulshine says.

“I made it. They had to literally push me part of the way, but I got to the top, which seemed unfathomable when Roger first mentioned it.”

The trip inspired Mulshine and Nichols to start the annual B Strong Ride to raise money for cancer patients. Its first ride in 2011 saw 524 cyclists raise \$275,000, one of the largest fundraisers associated with **Lance Armstrong’s LIVESTRONG** foundation.

B Strong includes a 69-mile mountain course around Boulder, a 24-mile country-side loop, and a mile-long ride for kids — all raising money to improve the quality of life for cancer patients and their families.

“My wife, I don’t know how she did it. We had four children, but she was with me every day in the hospital. It taught me it’s much easier to be in the bed as a patient than it is to be a caregiver or spouse,”

Mulshine says. “So we’re raising money for things that make each day a little better for cancer patients and the people who care for them. Navigating cancer and survival is hard. If you want to know who’s having the worst day in your city, they’re probably in your hospital’s cancer center.”

SELLING DEBT

In the wake of his recovery, Mulshine wrote a new chapter in his professional life two years ago. He and another partner left Prager, Sealy & Co. and formed their own firm, MBS Capital Markets, with offices in Colorado, Florida, and Tennessee.

The broker-dealer firm underwrites and

consults on bond deals for large developments. Many states allow developers to issue tax-exempt bonds to finance infrastructure; MBS will set up the bond deals and establish a secondary market. The partners of MBS have served as lead bankers on more than \$10 billion in tax-exempt bonds for more than 300 issuers in 700 different transactions.

The firm was established in the immediate aftermath of the financial crisis. It might seem like an odd time to start a new investment banking house, but Mulshine says not really.

“When there’s dislocation, that’s the best time to make a market. One of the things I learned at Michigan is not to question what the market is doing. Instead, figure out how to provide liquidity where it’s needed. So it was a great time to launch. Another partner and I were at the point where we wanted to do our own thing and see if we could make it. So far, we’ve been busier than we’ve wanted to be, so it has worked out well.”

The fight against cancer has given Mulshine a new professional and personal appreciation for grabbing opportunity when it arises. But it’s not all smiles the rest of the way, either, which is why other patients never are far from his mind.

“I always have dreams about falling out of remission,” he says. “Memories of that terrible time come back in my face when family, friends, or people I know or even just read about are being diagnosed. It means I can’t help but do anything I can to support them.” ✖



View an interview with Kevin Mulshine:
www.bus.umich.edu/mulshine

Gretchen Perkins, BBA '86, goes from deal maker to deal creator to drive Huron Capital Partners' success

— She Keeps the Firm —
Going & Going & Going ...



— by TERRY KOSDROSKY — photograph by SCOTT STEWART —

The Energizer Bunny of private equity. That's what *Crain's Detroit Business* recently dubbed Huron Capital Partners LLC, a Detroit-based private equity firm that's growing despite a challenging backdrop. The economy may be up, down, or sideways, but Huron keeps plugging along and getting deals done, the business weekly noted.

The 9-volt battery in the back of that drumming bunny is a tireless veteran of the Midwest finance scene, **Gretchen Perkins, BBA '86**. She doesn't close deals or do high-stakes negotiating. But as senior vice president of business development, she's as vital as any deal maker.

"I'm on the road most of the week, meeting with brokers, bankers, attorneys, and wealth advisers so they know what Huron does and the kinds of companies in which we are interested," she says. "I go to their cities and events, building our brand and making sure we're top of mind. It's a constant battle because the players are always changing."

Not all funds of Huron's size — its third fund was \$350 million — have executives dedicated solely to business development. But Perkins thinks it's essential for a firm to thrive in any type of economy.

She joined Huron just before the recession began in 2008 and the industry froze up. Thanks to Perkins, the firm has enjoyed a steady flow of doable deals to examine, no matter the business climate.

In good times and bad, Huron has kept to its pace of five to 10 deals per year in the \$20-70 million range.

"There's no magic to business development," she says. "You instill a process and execute. I generate leads and make sure our partners and deal makers follow up. I get out and tell our story. Since I'm not tied up working on a deal, I'll never miss a chance."

FROM DEALS TO DEVELOPMENT

Perkins began her career on the deal side. She worked for First National Bank in Chicago, Barclays Business Credit, Fleet Capital Corp., and GE Capital in Detroit arranging corporate debt deals — senior loans and structured debt. She was involved in a lot of the big automotive supplier loan deals in the late 1990s and 2000s.

Commercial lending was more of what she had in mind when she switched majors from computer science to business.

"I knew when I was 19 that I needed to be in an industry where I worked with people," Perkins says. "I didn't know I would end up in lending, but that worked out great. It exposed me to a lot of different industries."

Her foray into private equity began at Long Point Capital in suburban Detroit. That's where Perkins switched from making deals to full-time business development — a move she considered carefully.

"It was a hard transition from doing deals to not really doing deals, but I came to enjoy it," she says. "It plays to my strengths."

It also got her noticed by the partners at Huron Capital, who in 2008 had just raised a third fund and were ready to deploy it. The firm didn't have a dedicated business development executive, but it had reached a size that made it hard for the partners to keep the pipeline flowing while also closing deals.

Brian Demkowicz, Huron's managing partner, had known Perkins for several years. He needed somebody who could build the pipeline

and market the firm, but also had experience doing deals. Earlier in his career, Demkowicz had seen the value a full-time development professional brought to the table.

"I saw the right way to do it, and I knew Gretchen's success in building Long Point's origination capability," he says. "We were evolving in 2008. We had just raised a new fund and needed help with origination and marketing — and the other partners and I were trying to do it all ourselves. So I convinced her to come aboard."

The timing was right for Perkins to switch to a job requiring long hours and travel. Her children had grown and were more independent. On the business side, that \$350 million fund was a shiny new toy on Christmas morning.

PUTTING THE MONEY TO WORK

Huron does a lot of buy-and-build deals. That is, it buys a company — often in partnership with an owner, founder, or management — and builds it up with acquisitions and organic growth strategies. Its varied portfolio includes food and beverage companies, marketing services, apparel, fire protection, and engineering services.

The firm has a stable of experienced operators it can bring in as critical resources in buying a corporate spinout, financing a management buyout, recapitalizing a private company, or handling a family succession deal. These industry veterans provide strategic guidance for management of the portfolio companies, as well as industry networking and contacts for management talent and deal flow. They also act as a sounding board.

Huron examines about 800-900 potential deals a year to find the select few it will close on. To get those requires knowledge of how private equity deals work, people who make them work, and the ability to get the firm and its message in front of the right people.

"It shouldn't be hard to deploy that capital, but it is," Perkins says. "We have to find a lot of opportunities to bring into the funnel so we can focus on the ones we're excited about, ones for which we can add value and are a good fit, and ones we can win."

The challenge for Perkins is that deals come from so many different sources: executives, accountants, wealth managers, family owners, entrepreneurs, brokers, and attorneys. The prospects she brings in also must meet basic parameters that match the kinds of investments Huron wants.

Internally, she manages how Huron's partners and deal makers keep in contact with sources. Giving these people face time and attention is important, and everyone at the firm has a list of sources to connect with every month.

When Perkins started in 2008, most deal activity had screeched to a halt. Now, prices for target companies are increasing due to pent-up demand from funds that must spend the capital they raised or lose it.

None of that derailed Huron, and Demkowicz credits Perkins for that. Perkins says Huron's record of significantly growing the businesses in which it invests makes her job easy.

"We've won deals where we are told we're not the highest bidder, but they know going with us means a bigger payoff in the long run. A lot goes into it before you sign papers, which means the job can either be exhausting or exhilarating. For me, it's the latter. It's fun to be on a winning team." ✪

Alumni Activities } commencement



PHOTOS BY SCOTT STEWART

★Ann Arbor

At 2012 Commencement, Ross invited newly minted alumni to grab their loved ones, strike a pose, and celebrate the momentous occasion.

View all images from the graduation photo booth:
<http://bit.ly/rosscelebration12>





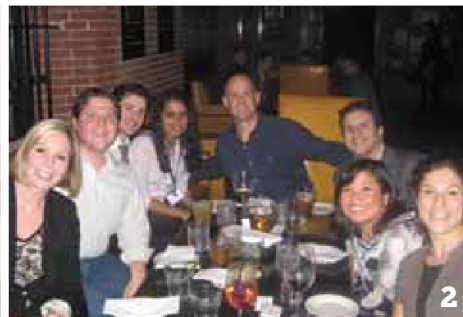
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★Bay Area

1 Charlotte, N.C., club member **Elizabeth Terry, MBA/MS '03** (third from left), made a cross-country alumni connection at the Menlo Park, Calif., home of **Alifya (Chinwalla) Duggal, MBA '04** (fourth from left), and **Nitin Duggal, MBA '04** (right), in June. Also pictured are **Susan Chiu, MBA '04**, **Albert Kan, MBA/MSE '04**, and **Amanda Soskin, MBA '04**.

★Boston

2 Alumni continuing the merriment after Dean **Alison Davis-Blake's** May 6 event included **Michelle Davis** (assistant director of annual giving and alumni relations), **Joe Johnson, MBA '10**, **Josh Ehrenfried, MBA '03**, **Vidhu Nambiar, MBA '09**, **Jim Hanley, MBA '94**, **Tony Gross, MBA '08**, **Grace Tsuei, MBA '03**, and **Alexis Hyder, MBA '11**.

3 The club board hammered out an exciting schedule during their semiannual planning meeting July 22 at the home of **Jim Hanley, MBA '94**.

★Chicago

4 Participants in May's annual Chicago Business Conference included **Yehuda Cohen, MBA '83**, **Betsy Wilson** (director of development at Ross), **Eddie Sartin** (chief development officer), **Fritz Henderson, BBA '80**, **Jeff Spahn, BBA '75**, **Mary Kay Haben, MBA '79**, management and organizations professor **Dave Mayer**, and club president **Jeff Gordon, MBA '83**.

★Frankfurt, Germany

5 Alumni gathered May 12 for the club's annual meeting, which featured Professor Emeritus **Gunter Dufey** and the CEOs of PolicenDirekt and Saatchi & Saatchi.

★Mexico City

6 Alumni met June 22 at Bosques de las Lomas to enjoy a Euro Cup match and discuss opportunities to strengthen the Michigan Ross network in Mexico. Pictured are **Federico Martinez, MBA '00**, **Santiago Rivero, MBA '11**, **Hugo Breton, MBA/MSE '04**, **Gerardo Ruiz, MBA '99**, **Miguel Angel Ceballos, MBA '92**, **Jose Antonio Garcia, MBA '96**, and **Greg Rianhard, MBA '01**.

dividend is just part of our story



Dividend Email

is a bimonthly supplement to *Dividend* magazine, with alumni features, timely news from campus, and faculty research highlights.

Ross Thought in Action

is a bimonthly collection of the latest faculty research delivered in a way that is clearly applicable to organizations.



MICHIGAN
ROSS SCHOOL OF BUSINESS

★New York

1 Michigan Ross alumni and staff welcomed admitted students to a reception in March, including club president **Cecil Shepherd, MBA '00**, **Illana Feiglin, AB '97**, **Eun Ja Yu** (associate director of admissions), and **Richard Lui, MBA '02**.

★Taipei

2 The Class of 2014 was welcomed to the Michigan Ross family at a June 19 get-together with current students and alumni.

3 **JC Pan, MBA '06**, and **Aaron Kuo, MBA '08**, were among the attendees at a June 30 dinner and night out at Whisky Bar.

4 **Philip Wu, MBA '14**, and **Julia Min-Hui Chao, MBA '07**, also enjoyed the festivities.

★Tokyo

5 On Aug. 4, the Ross Alumni Club of Japan sponsored a study session where new graduates presented their learnings at Michigan Ross. A big party followed, welcoming the new graduates back to Japan and the club.

★Twin Cities

6 Club members gathered Aug. 14 to watch the Minnesota Twins battle the Detroit Tigers at Target Field. A good time was had by all, despite a loss by the home team.

>>> **Market yourself** to thousands of top global employers through a partnership between Michigan Ross and the online recruiting tool MBA Focus. Using the Michigan Ross alumni resume database and job board, MBA grads can display a resume and streamlined profile to more than 2,500 top recruiters, as well as hundreds of firms that acquire Michigan Ross online resume books through MBA Focus. It's quick, easy, and free. www.bus.umich.edu/alumnicommunity/alumnicareerservices

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Class Notes } alumni updates

Robert Kittredge, BBA '48, was inducted into the Plastics Hall of Fame in April. He is the CEO of Fabri-Kal, a Kalamazoo, Mich.-based innovative packaging solutions company. Kit founded Fabri-Kal in 1950 and has developed the company into the leading provider of plastic stock and custom thermoformed packaging solutions. He also established the Fabri-Kal Foundation, which has provided millions of dollars in higher education scholarships to employees' children, as well as community grants.

Robert Chesebro, MBA '63, chairman and CEO of Wigwam Mills Inc., was named the 2012 Sheboygan (Wis.) Good Citizen of the Year. The award cites his pivotal role in supporting and advancing the Sheboygan community. Robert is a third-generation family owner of Wigwam Mills, which manufactures performance socks sold in niche markets globally. He has been involved with numerous civic organizations, including Camp Evergreen, a Sheboygan Co. facility serving special needs citizens.

Alan Gildenberg, BBA '79, has been elected to the board of directors of Industrial Services of America. The Louisville, Ky.-based company buys, processes, and markets ferrous and non-ferrous metals and other recyclable commodities for domestic users and export markets, and offers programs and equipment to help businesses manage waste. Alan has more than 30 years of experience in the financial industry as an investment adviser and an independent floor trader at the Chicago Mercantile Exchange.

Shelley Young, MBA '79, heads investor relations for International Flavors & Fragrances Inc., a leading global creator of flavors and fragrances for consumer products based in New York. Most recently, Shelley established SEY Communications, a consulting practice specializing in improving the productivity of investor relations programs. Prior to that, she held investor relations roles with CBRE Group Inc., the New York Times Co., and



In the fall 2011 issue of *Dividend* magazine, **Jon Haber, BBA '61**, and his daughter, Jody, were pictured in Class Notes along with a story about their similar paths at U-M and beyond. **Chuck Danby, BBA '61**, read the story and recognized Jon as his old college pal. "We lived on the same hall but called ourselves roommates," recalls Chuck, "and we studied together all the time." The retired marketing executive contacted Jon, and the two had a lengthy telephone catch-up. Since then they have had two reunions, along with their wives, **Kay Danby, AB '63**, and **Barbara Haber, AB '62**. The couples first gathered in March in Sarasota, Fla., and then in July at the Danby's summer cottage in Macatawa, Mich. Jon and Chuck are pictured in the Danby's maize-and-blue golf cart on the Lake Michigan beach, where Chuck says the vehicle turns a lot of heads. He adds, "Thank you, *Dividend* magazine, for bringing two old friends together."

Thomson Financial Group. Earlier in her career, she worked in financial planning at PepsiCo and MasterCard International. Shelley lives in Basking Ridge, N.J., and would love to hear from other Ross alums.

John Selmon Blakley, BBA '80, is a tax law specialist at the U.S. Department of the Treasury in Manhattan, working in their tax-exempt bonds, governmental entities, and compliance and program management division. The division analyzes and assesses financial

service industry company bond transactions within the Wall Street area, throughout New York State, and nationwide.

Anmar Sarafa, BBA '82/MBA '86, was appointed to the executive committee of the Michigan Economic Development Corporation by Gov. **Rick Snyder**. Anmar is founder and CEO of the investment firm Steward Capital Management. He also is a joint managing partner of Munros Capital Management LLC, a managing member for Steward



Martin Shenkman, MBA '81, received the 2012 Sidney Kess Award for Excellence in Continuing Education from the American Institute of CPAs. He founded a charity, RV4TheCause, and travels the country for a month each year, lecturing to professional advisers about the importance of estate and financial planning for people with chronic illnesses. Martin started his own practice in 1988 and also has served as an adjunct professor at Seton Hall University and Columbia University. In addition, he has authored 38 books and more than 800 articles on estate planning and related topics. He was named Financial Planner Pro Bono Planner of the Year by the Foundation for Financial Planning and *Financial Planning* magazine.



Real Estate Management, and a managing member of Frankenmuth (Mich.) Brewery Real Estate LLC. In June, he was appointed to the board of the Detroit Zoological Society. He lives in Bloomfield Hills, Mich.

David Easlick, MBA '83, is business development manager at RealEstateAuctions.com in southwest Florida. Previously, he was an associate broker with Higbie Maxon Agney in Grosse Pointe Farms, Mich., and Washington Fine Properties and W.C. & A.N. Miller Realtors in Washington, D.C. He also practiced law with Butzel Long in Detroit. For 20 years, David was CEO of Delta Kappa Epsilon fraternity. He serves on the executive committee of the Special Olympics of Collier County (Fla.).

Stephen Swad, BBA '83, is president and CEO of Rosetta Stone Inc., a leading provider of technology-based language-learning solutions based in Arlington, Va. He joined the company in 2010. Previously, Stephen was CFO at Comverse Technology, and prior to that, was CFO for both Fannie Mae and AOL. He has held various senior financial and operational management positions with Time Warner and its subsidiaries, was a partner at KPMG, and served as deputy chief accountant at the SEC.

Terri Jennings, BBA '84, has been named to the Kandu board of directors. Kandu is a Holland, Mich.-based nonprofit organization that provides employment opportunities for people with barriers. Terri currently is the CFO for Altus Inc. in Walker, Mich. She and her family reside in Grand Haven, Mich., and her eldest son is enrolled as a U-M sophomore this year, continuing the Wolverine tradition. Go Blue!

Jeff Moelich, MBA '84, recently was appointed executive director of university audits for the University of Michigan. He is responsible for the conduct and operations of all internal audit activities, as well as supporting the system of internal controls and risk management across the University. The position reports directly to the president



William Demchak, MBA '86, has been named president of PNC Financial Services Group and its principal banking subsidiary, PNC Bank. He joined PNC as CFO in 2002 and has been senior vice chairman of PNC since 2009, assuming supervisory responsibility for all PNC businesses in 2010. Prior to joining PNC, Bill served as head of structured finance and credit portfolio for JPMorgan Chase & Co. He is a director of BlackRock Inc.

Paul Saleh, BSE '77/MSE '78/MBA '85, is CFO of CSC, which provides technology-enabled business solutions and services. He previously was senior VP and CFO at Gannett Company Inc. Prior to that, he was CFO for Walt Disney International, Nextel, and Sprint Nextel. Upon leaving Sprint Nextel in 2008, Paul launched Menza Partners, an operational and financial advisory group. Earlier, Paul was with Honeywell Inc. for 12 years, where he held various leadership positions, including VP and treasurer.



and to the chair of the Board of Regents' finance, audit, and investment committee. Previously, Jeff was senior VP of internal audit and corporate officer at Eaton Corp. in Cleveland.

John Nichols, MBA '88, is the chief risk officer at Fannie Mae. He previously was managing director at BlackRock Inc., where he advised large financial institutions on complex risk management issues.

Terrence Ronan, MBA '88, is executive VP and CFO of Atlantic Power Corp. in Boston. Previously, he was managing director of finance and assistant treasurer at Plains All American Pipeline LP. Prior to that, Terry was president and CEO of SemGroup LP, a privately held partnership in the crude oil, LPG, and natural gas industry. From 2006-08, he was managing director at Merrill Lynch Capital and co-founded its start-up energy finance practice. He also spent 14 years at Bank of America and predecessor institutions Fleet Boston Financial and BankBoston.

Don Weintraub, AB '86, MBA/AM '89, has joined South American Iron & Steel Corp. Ltd. as a non-executive director. His appointment is intended to further strengthen the executive team, which is focusing on

monetization of its mining interests in Chile and China. Don has more than 20 years of international business development experience and has taken companies public on exchanges in America, Europe, and the Middle East. He recently married **Meirav (Egozin) Weintraub** and would love to hear from any Section 6 classmates traveling to the never-boring Middle East.

Michael Clark, MBA '90, was appointed president of energy technology firm Encorp LLC, headquartered in Fort Collins, Colo. Encorp recently was named the leader in the military microgrid market, with more than 400 distributed energy projects installed and operational worldwide. Previously, Mike worked for multinationals and successful turnarounds. He is active in energy-related boards and activities nationwide.

Manish Gupta, BBA '92, was named VP and sector controller at Xerox Business Services, based in the Washington, D.C., area. In this role, he oversees all accounting-related operations in the transportation and central and local government sectors. He previously was director of corporate audit services for the Washington Post Co. Manish lives with his wife, Nita, and six-year-old daughter, Meghna, in Washington Grove, Md.

Making Criminals Pay

John Broad, BBA '61/MBA '62, applies business principles to community service at Crime Stoppers of Michigan

Every week, **John Broad, BBA '61/MBA '62**, goes in front of TV cameras with the family of a crime victim, often relatives of somebody who was murdered.

As president of Crime Stoppers of Michigan, which offers cash rewards for anonymous tips that lead to arrests, it's a haunting experience. But he knows it makes a difference.

"Their grief is unbelievable," Broad says of victims' families. "They know somebody did it, but they don't know who. They do know that person is walking around, enjoying life. We try to help correct that."

Broad took the helm of Crime Stoppers of Michigan in 2005, after an earlier stint on the board. Both times the career business owner felt the pull of social responsibility.

"I was an entrepreneur and businessman for 33 years, but I kept feeling a strong tug to try solving social problems. For longtime businesspeople, the opportunity to take their business and entrepreneurial knowledge and apply it toward social problems — whether it's crime, abandoned houses, homelessness, or poverty — is tremendously rewarding."

Broad first felt called to action in the early 1980s while driving to and from his business, structural steel firm Broad, Vogt & Conant. Abandoned homes dotted his route, with children walking by and waiting at bus stops near them.

Sensing a recipe for disaster, he joined the Detroit Regional Chamber and became chairman of the public safety committee. Eventually that group focused on making Crime Stoppers of Michigan a regional force.

Crime Stoppers was founded in 1975 in New Mexico and has affiliate groups in all 50 states and 22 countries. Broad and the alliance thought a coordinated regional effort would be more effective than scattered local offices, and Crime Stoppers of Michigan was born. It covers some 4.7 million people in seven southeast Michigan counties, an area that includes Detroit and Ann Arbor.

Crime Stoppers helps police gather information on serious, unsolved crimes through a heavily advertised anonymous tip line. Tips are processed at a call center in Canada with no caller ID, and the tipster receives a case number. In the event of an arrest, the tipster can pick up the reward money using only the case number — no identification is required. Rewards are \$1,000 or \$2,500 for homicides.

Broad eventually left the alliance and the Crime Stoppers of Michigan board. But after closing his operating companies



John Broad, BBA '61/MBA '62, goes in front of the camera weekly to find perpetrators of unsolved crimes.

in 2001, he accepted an offer to return. When the president left in 2005, Broad was tapped for the full-time position.

The new role tested his business acumen immediately. The organization had negative net worth, some key people had resigned, and board meetings were irregular. The group received only about 1,000 tips a year.

So Broad asked vendors to accept delayed payments, obtained a key grant, and offered corporate memberships to businesses. Crime Stoppers of Michigan has recorded positive cash flow ever since, and tips grew to about 6,000 in 2011, with 338 subsequent arrests. The total revenue in 2011 was \$1.3 million, with funding from businesses, law enforcement, personal gifts, and an annual recognition dinner.

Now Broad is focusing on innovation. Crime Stoppers of Michigan has started robo-calls to homes near recent serious crimes. Residents hear a message from the victim's family, asking them to call 1-800-SPEAK UP with information.

Broad also wants to partner with churches to create call stations, as some potential tipsters remain scared of using their own phones. Calling from elsewhere adds another layer of anonymity.

Broad says it's all about more closely integrating the organization and the community. "In business, you're always looking at the delta, the disconnect," he says. "When I look at parts of Detroit, the delta is glaring. It's easy to get frustrated by rules and turf battles. But it really doesn't take that many people to get something done." ✨ —Terry Kosdrosky



Mike Watts, MBA '91, has joined Transwestern as president of the Midwest region, headquartered in Chicago. Mike's career has involved the repositioning of some of Chicago's most recognizable real estate, and he has led several large CBD transactions. Previously, Mike was senior VP of J.F. McKinney & Associates and regional leasing director for downtown Chicago for Jones Lang LaSalle.

Jeffrey Schwartz, MBA '92, has joined Loomis, Sayles & Co. as co-portfolio manager of the Loomis Sayles small cap value and small/mid cap core strategies, with a total of \$3.5 billion in combined assets under management. Previously, Jeff was senior portfolio manager at Palisade Capital Management for seven years. Prior to that, he managed a small cap mutual fund at Safeco Asset Management in Seattle and also was senior portfolio manager and partner at Munder Capital Management.

Gary Boss, MBA '93, has joined Clifford Chance in New York as a mergers and acquisitions partner specializing in insurance industry transactions, with a primary focus on representing insurers and private equity companies. Gary has advised a roster of insurance clients that includes AEGON, AETNA, FNF, Hanover Re, Liberty Mutual, MetLife, Munich Re, RenaissanceRe, SCOR, Sun Life, and Transamerica, and private equity and hedge fund clients that include Bain, Blackstone, Cerberus, Corinthian, HBK, Soros, Thomas H. Lee, and TPG.

Gary Cates, MBA '93, is an executive with the Toledo, Ohio-based ProMedica healthcare organization, currently serving as president for two business units: Defiance (Ohio) Regional Hospital and ProMedica Transportation Network. He also is leading a newly formed charity, Kaitlyn's Cottage, which is building a donor-funded \$1.8 million respite center for young adults with special needs. In January, Gary was appointed to the advisory board for the State Bank, a northwest Ohio banking company.

Thomas Hanley, MBA '93, has joined Stradley Ronon's corporate, M&A, and securities practice as a partner in the Washington, D.C. office. He is the former co-chair of SNR Denton's securities and public companies practice group and also served in the SEC's Division of Corporation Finance. During his career, Tom has served as the seller's or acquirer's counsel in M&A transactions totaling more than \$12 billion, and as issuer's counsel in capital-raising transactions totaling more than \$7.5 billion.



Karen (Proctor) Frampton, MBA '92, is assistant VP and commercial banking officer at Bank of Hawaii's Maui office, working mostly on mid-market deals. She has been with the bank on and off for 20 years, in both Oahu and Maui. She previously served as the comptroller for a West Maui commercial developer and operated an accounting and bookkeeping business. Karen and her husband, Bill, live in Kula with their sons, ages 10 and 13.

Deborah (Broviac) Roth, BBA/MAcc '94, is the managing director of R&D tax credits at SourceHOV. Formerly with PwC and Black Line Group, Deborah has overseen more than 500 R&D tax credit studies in the 17 years that she has focused solely on R&D tax credits. She is a founding member of the National R&E Roundtable.

Teresa (LaJoye) Mackintosh, BBA '94/MBA '01, has been named executive VP and general manager of the tax business unit at CCH, a Wolters Kluwer business based in Riverwoods, Ill. Teresa was recognized by *CPA Practice Advisor* as a "Top 40 Under 40" leader in the profession and by *Accounting Today* as one of the Top 100 Most Influential People in the industry. Previously, she was general manager and senior VP of indirect, property, and trust at Thomson Reuters.

Joseph Hyde, BBA '96, recently became CFO of Hub International Ltd., based in Chicago. Previously, Joseph was president of international operations for Global Payments Inc., where he managed the company's international business segment, including more than 20 Asia-Pacific and European markets and approximately 1,600 employees. Prior to that, he was an associate at Alvarez & Marsal from 1998-2000 and a financial analyst at the Blackstone Group from 1996-98.

Khoo Teng Guan, MBA '97, has been named general manager for consumer business in Malaysia for Dell Inc., responsible for sales to retail partners over the phone and via Dell's e-commerce platform in Malaysia. He has been with Dell since 1997 and held various regional management roles in sales, marketing, and business development based in the U.S., China, India, and Malaysia. Before his current role, he was general manager for services and solutions, overseeing IT services, support, and business solutions for customers in South Asia and Korea.

House of Wax

Valerie Wang, BBA '08, carves out a successful marketing career in the world of wax figures



Valerie Wang, BBA '08, waxes poetic with replicas of entertainment's biggest stars.

Valerie Wang, BBA '08, works daily with Hollywood's A-Listers — **Brad Pitt**, **Angelina Jolie**, and the like. She's not an agent or a studio executive. As marketing manager at Madame Tussauds Hollywood, part of the legendary London-based chain of wax museums, she spends her time with replicas of yesterday's and today's hottest stars.

The museum's Hollywood Boulevard location has made it a top Los Angeles attraction since its 2009 opening. Wang's job is to make it a must-see on every tourist's list. Since her arrival in April 2011, she has increased outreach to the museum's fans and business partners and grown its Facebook following from 4,000 to more than 31,000. Her goal is to surpass the veteran Madame Tussauds New York's count of some 63,000.

"I'm driven by competition," Wang says. "It keeps it interesting when you're trying to win. That's one of the things I love most about my job."

She draws on that competitive spirit to help determine what figure to launch next, and how to do so in a way that will generate buzz. To keep the museum fresh and in the headlines, Wang and her team try to launch a new figure or experience each month. They obtain four or five new figures annually, with a price tag of \$300,000 each. They also borrow figures from other Madame Tussauds franchises or create a new experience with assets on hand.

"Being in Hollywood gives us an advantage because we are in the center of it all," she says.

But to deliver the wow factor, Wang must unleash her creativity. During election season last November, her team replicated the Oval Office, complete with **President Obama**. This spring they unveiled **Tupak Shakur's** figure on his birthday, with a local radio station spinning classic hip-hop and members of Bone Thugs-N-Harmony giving an impromptu performance. But the biggest success came courtesy of one of television's best-known reality stars.

The museum had arranged to borrow **Kim Kardashian's** figure from the New York venue; as fate would have it, the launch was days before her wedding. Wang commissioned a designer to create three wedding dresses, and fans voted on their favorite for the launch. "Because press weren't allowed at the wedding, some ran photos of our figure with their stories," Wang says. "It was the perfect storm."

But it's not always easy dealing with celebrities. One launch was canceled when a figure was damaged just days prior; another launch was delayed four months because the celebrity was unhappy with his figure's hairline. Wang takes it in stride. "We poke fun at celebrities while still being respectful."

Navigating cultural differences with U.K. executives also is challenging. "It took us two years to convince them to make a **Betty White** figure," she says. "No one there had ever heard of her."

Wang's current gig isn't her first time creating a splash. Her interest in experiential marketing — fueled by her love of chaos and desire to fuse fun events with marketing strategy — launched her career as an event producer at an L.A.-based PBS affiliate. She grew the role from creating a few events each year to doing 40-50, but the game-changer was planning the launch of **Ken Burns'** documentary "The National Parks." Wang partnered with the National Park Service to host the screening at Santa Monica Mountains National Recreation Area, raising \$200,000 for the project and drawing 2,000 people to the event. "Working for a nonprofit gives you more responsibilities than you might be prepared for," she says. "After that event, I had the CEO's support to run with my ideas."

The chance to dive deeper into marketing brought Wang to Madame Tussauds, but focusing on execution and strategy always has kept her grounded amidst the celebrity hoopla. "I once told **Clint Eastwood** that he couldn't sit in a section because I was reserving it for Clint Eastwood," she says. "He looked at me like I was insane." ✨ — *Amy Spooner*



Ari Ramras, BBA '94, has been named to Southwest Super Lawyers 2012. He recently formed

Ramras Legal PLC, a boutique business and real estate litigation firm located in Phoenix. He started his career at Coughlin Betke in Boston, and is licensed in Arizona and Massachusetts.

Yi Luo, MBA '97, is senior managing director for Blackstone, based in Shanghai. He was previously with Carlyle Group in Shanghai and Hong Kong for more than eight years as a senior global partner and managing director within their Asia private equity team. He was a member of Carlyle's Asia investment committee and chaired its RMB Fund, as well as its operating entity in China. He also has worked at Goldman Sachs, Merrill Lynch, and the People's Bank of China.

Jeff Liebl, MBA '98, has been named VP of sales and marketing at TST Media, a VC-backed startup based in Minneapolis. Jeff has 15 years of executive-level experience growing venture-backed technology companies, including involvement in a successful IPO of Ubiquity Software in 2005. Prior to TST, he spent six years in various senior management roles at big data analytics firm eBureau and its sister company TruSignal, most recently as chief strategy officer.

Menno Ellis, MBA '99, wrote the foreword for a recently published leadership and communications book *ROE Powers ROI*, by R. Michael Rose. The book presents a framework to help people at all levels of companies understand every individual's role and adapt communication and leadership styles for maximum results. Find the book at www.roepowersroi.com or Amazon.

Joel Schwab, MBA/JD '99, was appointed a managing director at Hedge Fund Research Inc., where he will lead new business development efforts for HFR hedge fund database and research products. Joel launched and developed the commercial business of the HedgeFund.net database for Channel Capital Group Inc. prior to its acquisition by eVestment, and most recently was senior VP for alternatives at eVestment Alliance LLC. Prior to Channel Capital, Joel practiced corporate law at Katten Muchin Zavis in Chicago.

Bernard Colson, MBA '01, is a director and senior energy infrastructure analyst at Global Hunter Securities, an independent investment bank based in New Orleans. Previously, Bernard was executive director and equity research analyst at Oppenheimer & Co., where he covered energy infrastructure. Prior to that, he spent almost 10 years on the buy side at Tortoise Capital Advisors, Waddell & Reed Investment Management, and Citigroup Asset Management.

Jeff Griffin, MBA '02, is president of retail at HookLogic, the leading provider of e-commerce media solutions and services for online retailers, advertisers, and shoppers. HookLogic was founded in Ann Arbor and has offices in Atlanta, New York, and London. Most recently, as co-founder of IPG's Shopper Sciences, Jeff played an instrumental role in projects that continue to shape the shopper marketing and e-commerce landscape, including the Google Zero Moment of Truth initiative and the Grocery Manufacturers Association's Shopper Marketing 5.0 study. Prior to joining Shopper Sciences, Jeff was senior VP of Premier Retail Networks.

Ben Mogil, MBA '02, was named to the *Wall Street Journal's* "Best on the Street" list as 2011's top-rated analyst in the broadcasting and entertainment sector. He is with Stifel, Nicolaus & Co. The distinction stemmed from Ben's downgrade of DreamWorks Animation SKG Inc., projecting that expectations for movie box office and DVD

revenue were too high. The disappointing box office sales of *Kung Fu Panda 2* and *Puss in Boots* confirmed his sell rating.

Marietta Wu, MBA '02, has been promoted to managing director heading Burrill & Co.'s new Taiwan operation. She is based in San Francisco. Marietta joined the company's venture group in 2006 and also has served as acting COO of Waterstone Pharmaceuticals, a Burrill portfolio company. Prior to joining Burrill, she was director of strategy at Edwards Lifesciences and held several positions at Eli Lilly & Co. Marietta also founded BioHorizon, a consultancy focused on value creation in the life sciences industry across the Pacific Rim.

Rachel Levy Lesser, MBA '03, has authored *My Name is Rebecca Romm, Named after My Mother's Mom*, which aims to teach young readers how to appreciate their names. Rachel's work has been published in national and regional newspapers and magazines. Her first book, *Shopping for Love*, was released in 2008. She lives in Newtown, Pa., with her husband and two children. Her daughter, Rebecca, was named after her late grandmother and was the inspiration for this book, which is available at Barnes and Noble and online at Amazon and www.studiomagicart.com.

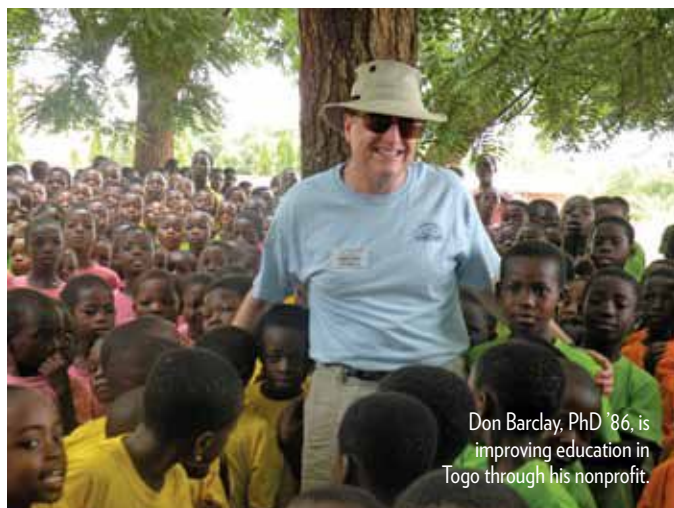


Rachel Craft, BBA '04, was appointed VP of business development and investor relations at Phoenix Investment Adviser, a New York-based private investment firm specializing in deeply discounted, cash-paying bonds. Prior to joining Phoenix, Rachel worked for eight years at Credit Suisse, where she primarily focused on the debt capital markets.

Ethan Goodman, BBA '05, was named a 2012 "Young Influential" by *Adweek* magazine, an honor that recognizes the top 20 advertising professionals under the age of 40. He is director of digital strategy at Leo Burnett in Chicago.

SET to Make a Difference

Don Barclay, PhD '86, turns retirement into philanthropic opportunity through Support.Education.Togo.



Don Barclay, PhD '86, is improving education in Togo through his nonprofit.

Many great ideas are born after a beer with friends.

Don Barclay, PhD '86, turned his into reality.

On a 2011 trip to Togo with the Canadian nonprofit Sleeping Children Around the World, Barclay visited 10 remote villages to deliver bed kits. Along the way, he became aware of the conditions of rural schools, which were acting as distribution centers. Thatched-hut structures were rendered useless during the rainy season, snakes frequented the classrooms, or brush fires destroyed buildings. In addition, students sometimes lacked basic supplies, precluding school attendance. Despite these barriers, Barclay embraced the villagers' positive spirit. "They have nothing, but see education as the best way to achieve change," Barclay says. "That shared attitude between us was a huge motivator to dive in and help."

Dive in, he did. Barclay, his brother Bob, and two fellow Sleeping Children volunteers conceived the idea for an education-focused nonprofit during the trip. Upon returning to Toronto, they launched Support.Education.Togo. (SET) with \$40,000 of their own money. The organization seeks donations from around the world to improve the educational environment in the West African nation. All donations directly address the greatest needs, without SET taking a cut for overhead.

"That was a key reason why we launched SET instead of working with an existing organization," Barclay says. "We wanted to maximize our impact."

During its first six months, SET completed a new school in

Agbelouve and restored a school building in Agbalepedo.

SET broke ground on its third project — building a school in Asso — in May. The organization works with Action Enfance et Développement (AED), a registered charity in Togo, to identify projects. Before SET considers a proposal, villagers commit to helping build and maintain the school and provide locally sourced materials whenever possible. AED then facilitates construction, which averages three months to complete.

"We're not going to work in villages where it's expected that the school will be dropped in," says Barclay. "We work where people want to be involved."

But infrastructure is just one barrier to education in Togo. Expenses deemed nominal in Western terms can be insurmountable in a nation where 62 percent of the population lives below the poverty line. Lacking a basic notebook can prevent a child from attending class — each student must copy what's on the blackboard since only the teacher has a textbook. So SET also focuses on providing school supplies, desks, and scholarships for the neediest students.

Barclay, an emeritus professor at Western University's Ivey Business School in London, Ont., says Support.Education.Togo perfectly melds his business savvy and philanthropic spirit. Upon retiring in 2008, the Montreal native vowed to devote time to volunteering. "I'm truly blessed, and if I don't give back, I'm missing part of the equation. Besides, it's fun."

Launching a nonprofit has provided plenty of learning opportunities for the lifelong educator. For instance, it can be difficult to communicate such overwhelming need to a First-World audience that hasn't witnessed it firsthand. "People are more willing to give if they've seen what we've seen. But we know we have a compelling story to tell," Barclay says. He acknowledges that changing perceptions isn't easy. After a presentation at his grandson's school, a young girl approached Barclay. She'd decided she only "needed" a new iPod 2 instead of an iPod 4, and would donate the difference. While Barclay says North Americans' sense of entitlement can be frustrating, "you've got to turn those moments into learning experiences and be grateful they're at least starting to recognize the problem."

Another challenge is patience. "There are many times more projects than available funds," Barclay says. "The need is startling, but we're going to keep fighting."

To learn more or donate, visit www.supporteducationtogo.org. ✎

—Amy Spooner



Michael Garceau, MBA '04, and Sarah (Davis) Garceau, MBA '04, welcomed their first child, Julia Ruby, on Oct. 16, 2011. The family resides in Maple Grove, Minn. Michael is a data center segment leader for Cummins Power Generation. Sarah is a manager in 3M Co.'s strategic business development group.

Gaurav Sharma, MBA '05, has joined martinwolf as senior VP and head of the India Practice Group in the firm's new Bangalore, India, office. This is Gaurav's second tenure at martinwolf, having been a member of the M&A advisory team in the California office from 2005-10. Gaurav moved to Bangalore in 2010 to lead M&A offerings for the strategy and transformation practice of IBM Global Business Services, India.

Michael Herbst, AB '93/MBA '06, has been promoted to director of active strategy research at Morningstar Inc., spanning open-end and closed-end funds as well as active ETFs. Previously, Michael was associate director of mutual fund analysis at Morningstar, primarily covering fixed-income and multi-asset strategies. He also served as the lead analyst for BlackRock Inc., Western Asset Management, Invesco, and John Hancock funds.

Adrian Morgan, MBA '07, has been appointed by the Algiers Charter Schools Association in New Orleans to lead the charter cluster for 2012-13. He previously was COO and CFO for Firstline Schools in New Orleans. Firstline runs five charter schools on the east bank of Orleans Parish; the Algiers group runs eight schools. Adrian has worked in charter schools for 15 years in several states, including working on charter applications, charter renewals, and school turnaround campaigns.

W. Patrick Davey, MBA '08, has been elected treasurer of the Accreditation Association for Ambulatory Health Care (AAAHC) Board of Directors. He represents the American Academy of Dermatology on the board. Patrick is president of

Dermatique, a cosmetic and dermatology practice in Scottsdale, Ariz., and previously served as clinical professor of dermatology and internal medicine at the University of Kentucky, Lexington.

Kelly Dylla, MBA '08, is VP of education and community engagement for the Seattle Symphony. Most recently, she was director of audience engagement for the Pacific Symphony in Santa Ana, Calif., where she designed *OC Can You Play?*, a countywide public art project and awareness campaign. In addition, she was manager of the Los Angeles Philharmonic's Youth Orchestra LA (YOLA), which brings instrumental and orchestral education to underserved students and families.

Sonya Mays, BS '97/JD '08/MBA '08, was named a VP in Deutsche Bank's investment banking practice, based in New York. Sonya focuses on providing capital markets and M&A advisory services to the industrial and manufacturing sectors, with special emphases on construction and automotive companies. She joined Deutsche Bank in 2008 as an associate.

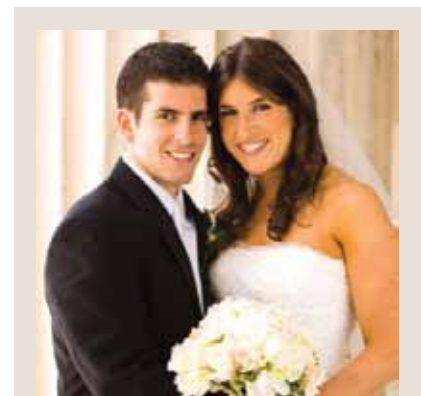
Jared Rowe, MBA '08, has been named president of Kelley Blue Book. Previously, he was VP of product management for AutoTrader.com in Atlanta. Prior to that, Jared spent 10 years at FordDirect, where he was a member of the FordDirect founding executive management team.

Jarryd Gonzales, MBA '10, has been elected to the board of directors of the California Wireless Association. He is a media spokesperson and oversees public relations for Verizon Communications Inc. in California and Texas.

Sarah Fowlkes, BBA '11, is stationed in Madagascar with the Peace Corps, advising local businesses on how to sustain operations. The Ann Arbor native joined the Peace Corps out of her desire to make a lasting impact on the lives of others and to enrich her own life through new cultural experiences. Sarah will be based in Madagascar for two years and then hopes to pursue a master's degree in public service and a career in nonprofit marketing.

Robert Gomez, BBA '11, has authored his first full-length novel, *Keeping Atlantis*. He always has had a curiosity for the fantastic, and his novel tells the story of a young man desperate for direction while his home — the modern day island of Atlantis — is sinking. Robert currently resides in Chicago and is working on his next novel, a semi-true story about a woman who chased money, not love, and succeeded.

Zack Novak, BBA '12, signed a one-year contract with the Netherlands-based Landstede basketball club for next season. He previously turned down an offer to play professionally in Switzerland.



Jennifer Martin, BBA '08, and **Robert Reznick, BBA '08,** were married June 2 in suburban Cleveland. Jennifer is a senior manager at American Express Co. Robert is an MBA candidate at Fisher College of Business at Ohio State. The couple honeymooned in Hawaii and recently moved to Columbus, Ohio.

Field of Dreams

Carla Tagliente, MBA '10, is in the business of winning as head field hockey coach at UMass



Carla Tagliente, MBA '10, is focused on returning UMass field hockey to national prominence.

Businesses assess profits and losses. Coaches track wins and losses. But **Carla Tagliente, MBA '10**, knows that boardrooms and locker rooms aren't such different playing fields after all.

Tagliente is in her second season as the head field hockey coach at the University of Massachusetts, having led her team to a 5-1 record in the Atlantic 10 Conference and a 7-11 record overall during her inaugural campaign. (Six of those losses were to eventual NCAA tournament qualifiers.) It may be a dream job for a woman who has loved the sport since childhood, but life on the sidelines isn't a game.

"You are a professor, mentor, and coach rolled into one," says Tagliente. "And that's just the interaction with the players. The rest is like running a business."

Coaches of big-revenue programs (think football and men's basketball) at marquee universities have an army of assistants. But most NCAA coaches operate on a smaller stage. Tagliente and her staff of three cover all facets of operations, from developing the schedule to managing the budget. Tagliente also spearheads fundraising initiatives. It's a perfect role for someone who thrives on "doing 8,000 things at once."

At the top of that to-do list is recruiting — which makes Tagliente, in essence, a marketing professional. "The sales aspect of coaching is huge. My program is a product, and it's my job to sell it." Like any brand manager, she must innovate constantly. Gone are the days of snagging a star player after a few chats in

her parents' living room; now much of the baiting happens before face-to-face contact is legal. "It's about creatively getting kids aware of your campus before others," says Tagliente. "It's the part of my job that never rests."

Her elevator pitch centers on the storied tradition of the UMass program, once one of the country's elite, as well as the quality of the student-athlete experience in Amherst. "We have a great culture," Tagliente says. "And in the past seven years, we've been building our program back to where we expect it to be."

That expectation of excellence has been a hallmark of Tagliente's playing and coaching careers. She joined the U.S. National Team while still in high school and went on to be an All-American at the University of Maryland, leading the Terrapins to an NCAA championship. Upon graduation, she joined the national team full time.

After seven years on the international circuit, including a silver medal at the Pan American Games, Tagliente decided to hang up her stick. She launched her coaching career as an assistant at the University of Iowa. In 2006, she came to Ann Arbor as an assistant, coaching the University of Michigan to a Big Ten championship and an NCAA quarterfinal appearance the following year.

During that time, Tagliente enrolled in the Part-time MBA Program. "I didn't know if I would stay in coaching forever," she says, "and my father always stressed taking advantage of opportunities." Ultimately, Tagliente became an associate coach at Northwestern University and commuted to Michigan to continue her studies. She completed her final class after landing at UMass. Despite the logistical challenges, she says it was worth it.

"Successful organizations are those that work well together," Tagliente says. "My Ross classmates helped me pick apart my style and offered different approaches."

Now she preaches that message to her team. "The key is to get my players to not just want to play for me, but for each other," she says. "Even if I am having a bad day, it's hard not to get excited when I come to practice and see how pumped they are." ✪ —Amy Spooner

Lincoln Albert Wickmann, MBA '40, died March 1 at age 96. He worked in Milwaukee prior to moving to Sturgeon Bay, Wis. In Sturgeon Bay, Lincoln was the office manager with Milwaukee Shoe, a tax preparer for Herman-Leasum and Parsons, and an accountant for several small businesses. Together with his wife, Dorothy, he owned and operated Tip Top Laundry. Lincoln was an active member of the Sturgeon Bay Moravian Church and formerly was a city alderman. He loved gardening and golfing.

Kermit Moss, BBA '49, died July 27 in Monticello, Ark. After attending U-M on the GI Bill, Kermit established his own accounting practice in Monticello. He was president of the Arkansas Society of Certified Public Accountants, spearheading the continuing education requirements that then-Gov. Bill Clinton signed into law. In 1984, Kermit ran for governor, losing to Clinton in the primary. He enjoyed the rough and tumble of politics and wrote numerous opinion pieces. In his spare time, he had a brief enterprise raising giant pumpkins, some of which were entered in the Drew County Fair.

Noel Bisel, BBA '54, died May 15 in Holland, Mich. After graduating from U-M, Noel served two years in the U.S. Army. He then began a career in the insurance industry as a claims manager, eventually opening his own agency that specialized in business insurance for nonprofit organizations. After retirement, Noel and his wife, Elaine, volunteered for American Red Cross Disaster Relief, Habitat for Humanity, and the Christian Reformed World Relief Committee. Noel enjoyed sports and travel and especially liked playing Pickleball.

Wayne Cooke, BBA '55/MBA '59, died April 9 in Princeton, N.J. Following three years in the U.S. Navy, Wayne returned to Michigan for his MBA. He spent 30 years in management with IBM Corp., which included assignments in the Netherlands, France, and Hong Kong. Later he and his wife,

Patricia, sold residential real estate through Coldwell Banker in Princeton. During his U-M days, Wayne sang in the Glee Club; later in life, he toured across Europe with the Voices Chorale. He had a passion for music and travel and also was an excellent bridge player. His book *On the Far Side of the Curve: A Stage IV Colon Cancer Survivor's Journey* (BookSurge Publishing, 2009) has been an inspiration to many.

Larry Savage, MBA '68, of Dearborn Heights, Mich., lost his courageous battle with esophageal cancer on March 7. Larry was born in Altus, Okla., and grew up in Arvada, Colo. He was married to his high school sweetheart, Irene, for more than 43 years. He retired from Ford Motor Co. after 37 years. Memorials may be sent to the Larry N. Savage Memorial for Esophageal Cancer, c/o Louis Perdue, U-M Medical Development, 1000 Oakbrook Dr., Ste. 100, Ann Arbor, MI 48104. Make checks payable to U-M.

Riley Rowe, MBA '74, died Feb. 22 in San Francisco after a brief fight with pancreatic cancer. Riley received his bachelor's degree from Ohio State, so no matter the outcome of the Big Game, he always won. Riley's career spanned marketing and advertising roles for Sears, Armor-Dial, Foremost McKesson, Atari, Livingston & Co., and Lotus Development Corp. For the past 22 years, he ran his own marketing focus group business. He also taught night school classes in business. Riley loved



Bert Sugar, MBA '59/JD '60, died March 25 in Mount Kisco, N.Y. Known as boxing's human encyclopedia, Bert (right) was a prolific writer and editor who was described as "a flamboyant and ubiquitous presence in the world of the ring." He was the author or editor of dozens of books and also served as editor of *The Ring* magazine and *Boxing Illustrated*. His 2006 book, *Boxing's Greatest Fighters*, ranks Sugar Ray Robinson No. 1, Joe Louis No. 4, and Muhammad Ali No. 7. Mike Tyson rounded out the list at No. 100. Bert also was a television and radio commentator. He was elected to the International Boxing Hall of Fame in 2005. He is pictured above with former world middleweight champion Emile Griffith (left) in January 2010.

traveling throughout the world, music, movies, walking, and attending alumni association events. He greatly valued visiting with friends and family, and delivered the most distinctive Christmas cards and gifts throughout his life.



Joao Gilberto Azevedo F. Santos, MBA '02, died Sept. 29, 2011, in his hometown of São Paulo, Brazil. Joao devoted most of his career to the third sector and worked to raise the quality of public education at IQE and Instituto Paideia. He was a consultant who spent six years as an executive at Ethos Institute, working in social responsibility and sustainable development for national and international organizations. Joao loved spending time with his family and friends, especially when preparing and inventing delicious meals. His family organized a website, www.joaogil.com.br, to keep his image and stories alive for his two daughters.

London 2012: INSPIRING A GENERATION

I was travelling via the London Underground on July 7, 2005, reading that London would host the 2012 Summer Olympics. Also that morning, 52 people in the city were killed by a terrorist attack. So when the Olympics finally arrived, Londoners had great pride that after all the build-up, drama, and tragedy, we finally were hosting the games.

The Build-Up Little did I know that a degree in “economic game theory” (and a considerable bank balance) would be required to obtain tickets.

I entered the Olympic ticket lottery, with lottery-like odds for success snagging marquee-event tickets. I only scored preliminary round fencing tickets. Notwithstanding our sons Alex and Oliver’s love of books about cutlass-wielding pirates, fencing was not my passion, and I felt cheated. After all, we’d endured a seven-year build-up to the games. I *had* to persevere.

Ultimately, I landed tickets for football and kayaking, and through my EU residency I booked gold medal beach volleyball tickets via the official Belgium Olympic site. But I should have studied Flemish in school; I ordered *men’s* beach volleyball, not women’s. Oh well ... it probably was more entertaining for my wife, Emily.

Being an expat occasionally presents conundrums, like whom to support during the Olympics. This was not as impossible a decision as declaring oneself a Michigan and Ohio State supporter (which, of course, is a logical fallacy), but it did present challenges. In the end, at the insistence of my children, we took our Union flag along with the Stars and Stripes to each event.

Let the Games Begin Our first event was fencing. Upon entering the arena, we saw an army of volunteers. My son Oliver regarded them as “jolly,” and they were, indeed, a jolly lot. As the Olympics progressed, the story

of volunteers became stronger, and volunteerism will likely be a great legacy of the games.

To my amusement, two U.S. competitors were called Homer and Moorhouse. (If you didn’t watch “The Simpsons,” this won’t mean much. But it made me chuckle.)

It was hard to keep our three children in their seats, let alone understand fencing’s finer points. But that evening, while “fencing” at home, our sons would not start play until they each stated, “En guard,” and they would disengage after scoring a point. This was a miraculous achievement for two gregarious three-year-olds. The games already had made something click in my boys’ brains regarding fair play — Result!

Later that week, we were off to Wembley Stadium for football. The decision to back Team GB or Team USA was a non-issue, as our tickets were for South Korea versus Gabon. We decided to support the underdog, and my wife and children spent the afternoon before the game making “Go Gabon” flags fastened to empty aluminium foil rolls. I think we were some of the loudest Gabon supporters in attendance.

Inspiring a Generation The slogan of the London 2012 Games was “inspiring a generation.” Honestly, I think this will be more than just a slogan. As I write, we look forward to attending a number of Paralympics events at Olympic Stadium. The highlight will be seeing **Oscar Pistorius** compete. We watched him run in the early rounds of the Olympic 400m, and by doing so, he made history. It turned out to be one of the most inspirational memories for my children, who have raced around the house for the past week declaring, “I’m Oscar Pistorius; I have special legs. I run so fast!” ✱

Chris welcomes reconnecting with U-M alumni in Britain, where he has lived and worked for 16 years. Go Blue!



MY TOP 10 Memories of the Games

- 10 The Queen’s cameo appearance with Daniel Craig (aka James Bond).
- 9 Mo Farah’s gold medal victories on the track.
- 8 Doing the wave at Horse Guards Parade while watching beach volleyball. (Though not as skillfully performed as in the Big House!)
- 7 Taking my twin boys to Wembley Stadium for the first time.
- 6 Watching Usain Bolt burn up the track to win three gold medals.
- 5 Learning that Manteo Mitchell ran the final 200m of the first leg of the 4 x 400m relay with a broken leg.
- 4 Countless random acts of kindness by volunteers and regular Londoners, even if they didn’t share a common language.
- 3 The BBC’s interview with Bert Le Clos right after his son, Chad, beat Michael Phelps. What tremendous pride!
- 2 Watching Oscar Pistorius with my children, when he became the first Paralympic athlete to compete in the Olympics.
- 1 Watching Phelps become the most decorated Olympian ever. I’m positive it was due to his Michigan connection.





I AM COMMITTED TO INDIVIDUALITY.

Nicole E. Ver Kuilen

Nicole Ver Kuilen // BBA Class of 2013

Nicole's long-term plan is to create a nonprofit that helps kids with prosthetic limbs embrace their individuality. The goal fuses her experience as an amputee and her passion for sustainability. She's been an active volunteer on campus, but a Ross class in Costa Rica sold Nicole on a service-oriented career. "It made me realize that sustainability is about more than the environment," she says. "I want to teach amputees to be sustainable people. Just because they've lost a limb doesn't mean they've lost their identity."



RENEW THE COMMITMENT

The Annual Fund helps students like Nicole have life-altering experiences inside and outside the classroom. Your support is vital to ensure Michigan Ross can continue providing a world-class education for 21st-century business leaders.

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