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enterprise
JOHNSON AT CORNELL UNIVERSITY
SUMMER 2017

THE DIGITAL REVOLUTION TAKES ON HEALTHCARE

[Digital technology is disrupting old models and driving innovation in healthcare, an industry that is ripe for change.]

$150M gift founds Cornell SC Johnson College of Business
A historic gift

Product Management:
A Pivotal Position

Immersed in Digital Technology

Paul Kavuma, MBA '93,
FOUNDER + CEO, CATALYST PRINCIPAL PARTNERS
A catalyst for regional champions in East Africa

MEETING THE FUTURE HEAD-ON

It's been an exciting year at Johnson, capped by the landmark gift from H. Fisk Johnson and SC Johnson to name the Cornell SC Johnson College of Business. As a result of this new endowment, we are actively hiring new faculty, including eminent scholars as well as distinguished executives, and they are bringing exceptional intellectual firepower to our programs and our school. Funding from this historic gift opens many possibilities, including new collaboration among Johnson, Dyson, and Hotel. A $50 million challenge is built into this gift, designed to leverage philanthropic support and allow the college to raise an additional $150 million in endowment, bringing the total potential impact of the gift to $300 million. Learn more about this gift and the power it brings to transform all three schools in "$150M gift founds Cornell SC Johnson College of Business" (p. 17).

We are committed to programmatic excellence in everything we do. It's our business to equip the best and the brightest with the skills they need to become successful business leaders. In a world where technology is constantly evolving and changing the way we manage, lead, work, and live, we must also evolve and change so our graduates can excel as new leaders and meet new challenges head-on. We stay ahead of the curve through ongoing scrutiny of our curriculum and programs; by seeking input from industry leaders, including many Johnson and Cornell alumni; by listening to our students; and by gathering input from recruiters. Read about one example of how we craft new curriculum in "Immersed in Digital Technology" (p. 24), which describes the confluence of information and input in Ithaca and at Cornell Tech that resulted in Johnson's newest interdisciplinary immersion, the Digital Technology Immersion.

Many of today's students aspire to the role of product manager in the tech industry — a role for which they need to understand technology and speak the language of engineers, but also think like business leaders. Our Cornell Tech MBA and Digital Technology Immersion prepare our students for this type of role. Learn more from alumni who are product managers in "Product Management: A Pivotal Position" (p. 37).

Sometimes making sure we offer the skills business leaders need means developing new degree offerings. This fall, we are launching the Executive MBA/MS in Healthcare Leadership, a program located in New York City and offered in conjunction with Weill Cornell Medicine. "The Digital Revolution Takes on Healthcare" (p. 31) includes a section about this new healthcare degree and introduces you to several Johnson alumni who are deeply involved in disrupting the healthcare industry.

Technology is opening up vast new possibilities for entrepreneurs, and we feature several Johnson graduates and their tech-related startups in this issue. Read about them in Startup Snapshots (p. 13).

Innovation, Entrepreneurship, and Technology is one of several new strategic themes around which faculty within the SC Johnson College of Business are meeting and collaborating on research and curriculum. As we build new relationships and get to know one another better, we are finding natural alignments among faculty interests. The research conducted independently by Professors Kristina Rennekamp (Johnson) and Byoung-Hyoun Hwang (Dyson), which focuses on the impact of good writing on investor relations and share prices, is one example of that alignment. Read about it in "Watch Your Language: The Value of Clarity" (p. 10).

As you will see in these and many other stories in this issue of *Cornell Enterprise*, great things are happening throughout the Johnson community. Looking ahead, we are excited to relocate our Cornell Tech program to its permanent home on Roosevelt Island. In Ithaca, current and incoming MBA classes will enjoy new study and collaboration space at the Breazzano Family Center for Business Education in Collegetown, where state-of-the-art connectivity will enhance access to corporations and increase connections across all the MBA programs.

As Johnson's dean, I was proud to congratulate the first graduates who are members of the Cornell SC Johnson College of Business in May. I know this new academic year will bring many exciting new achievements and stories to tell. Stay tuned!

Mark W. Nelson

Mark W. Nelson
Anne and Elmer Lindseth Dean

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DEPARTMENTS

COVER ILLUSTRATION BY SÉBASTIEN THIBAULT

PETER COORS RECALLS 1969, URGES TOLERANCE FOR DIVERSE IDEAS

[By Robert Johnson ’17]

At the outset of his talk, businessman **Peter Coors ’69**, chairman and chief customer relations officer of Molson Coors Brewing Co., made clear two points that set the tone of the 2017 Durland Lecture April 18 in the Statler Hotel amphitheater.

First, Coors declared that throughout his near 50-year career in business and politics, he has maintained a firm belief in capitalism, limited government, and civil discourse. He joked that as a student he was “not always popular on this campus” because of these positions, particularly given the campus climate in the late 1960s.

Coors’ second point was that success should not only be measured by money or material accumulation but also by “successful relationships with family and friends, and how well you serve others.”

Coors said he was raised in the “lazy town” of Golden, Colo., where the Coors firm was established by his great-grandfather Adolph Coors Sr. in the late 19th century. After attending Phillips Exeter Academy, Coors came to Cornell to study engineering.

Coors said when he first joined the payroll, the company, known then as Coors Brewing, only sold beer in 11 western states and produced an annual volume of 6.3 million barrels of beer, “or 12.6 million kegs,” he said. Today, after several mergers, including the Canadian Molson Brewery in 2005, the Molson Coors Brewing Co. is the world’s fifth largest brewery by volume and the third largest brewery by profit and operates in 78 countries.

During Coors’ time on the hill, he witnessed the Willard Straight Hall takeover of 1969, which “was a time of considerable turmoil on the campus. We were engaged in a conflict in Southeast Asia; we had civil rights issues.”

Peter Coors ’69, chairman and chief customer relations officer of Molson Coors Brewing Co., delivers the Lewis H. Durland Memorial Lecture.

CHRIS KITCHEN/UNIVERSITY PHOTOGRAPHY

Coors said that in the current era of divisiveness, the social climate, both on c ampus and in American society generally, has much the same feeling that it did back then.

“Why are we so divided?” Coors asked. “Why is there so much vitriol and sometimes violence, intolerance, and incivility? We love to paint people with labels: liberal-conservative, moderate-progressive … everyone — with the possible exception of some extremists, I suspect — embodies parts of each one of those labels.”

Despite these realities, Coors said he was encouraged by recent instances of Cornell students speaking out in favor of free speech.

“Freedom of speech, exploring diverse opinions and views, honest disagreement, and civil discourse have to be the foundation of higher education, and I would expect it particularly here at Cornell, my alma mater,” Coors said. “In fact, I believe it is the critical element of diversity. … This is a type of diversity that must exist on this campus.”

The Lewis H. Durland Memorial Lecture, presented by the Samuel Curtis Johnson Graduate School of Management, was established in 1983 in memory of Lew Durland, treasurer emeritus of Cornell.

This story originally appear in the Cornell Chronicle, April 27, 2017.

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ETHICAL BEHAVIOR STARTS AT THE TOP

Linda Treviño focuses on the role of leadership in fostering best practices in Day Family Ethics Lecture. [By Jay Wrolstad]

The ends often don't justify the means for businesses that set unrealistic performance goals, creating a culture where employees feel compelled to engage in unscrupulous behavior in meeting the demands handed down by their superiors.

That was the message imparted by **Linda Treviño** in delivering the Day Family Ethics Lecture at Johnson on March 28. Treviño, director of the Shoemaker Program in Business Ethics at the Smeal College of Business at Pennsylvania State University, touched on psychology, human behavior, and setting the right — or wrong — tone during her address on "Ethical Leadership Top to Bottom: When it Works and When it Fails."

Treviño explained that her research into the role executives play in establishing an ethical culture at their organizations reveals that most people are followers when it comes to ethics: They look outside themselves — to leaders — rather than examining their own values. This finding supports the research of Yale psychologist Stanley Milgram, she noted, whose widely known experiments in the 1960s demonstrated that people will blindly follow orders to harm others, despite their misgivings, when instructed by an authority figure that such behavior is acceptable.

"For businesses, the message is that leaders must recognize the power they have over subordinates and use it wisely," she said. "Most employers want to do the right thing, but don't always follow through with appropriate management policies or clarify the expectations for ethical behavior."

As an example of the impact of positive ethical leadership, Treviño cited the Market Basket supermarket chain, which removed a popular CEO and replaced him with two new executives, prompting a stakeholder revolt. Employees protested the move, customers launched a boycott, and some suppliers stopped doing business with the company. "The ousted CEO was loved and admired for his values; he cared about employees and customers," she said. "This situation reflects the importance of business leaders who develop an ethical culture that is tended and nourished by the organization."

Negative ethical leadership, on the other hand, reflects a focus on bottom-line goals with little consideration of the means required to achieve those objectives. Treviño explained that she observed the effects of this problem while studying a telecommunications company where executives established unreasonably high goals for the sales staff. Company managers found it impossible to achieve those goals, she said, and as a result resorted to deceptive behavior to make it look like they were fulfilling expectations. They would log sales from customer service or other departments that they had not made, for example, and the desk sales staff would share the sales made by field sales staff to inflate their numbers.

"The employees at the bottom of the organization were concerned about this unethical behavior but succumbed to the pressure from their supervisors and followed orders," she said. "Performance management systems can create an atmosphere where employees are reluctant to speak up and point out unrealistic expectations and instead participate in unethical behavior, following the example set by superiors." The recent scandals at Wells Fargo and Volkswagen resulted from similar behavior, she added.

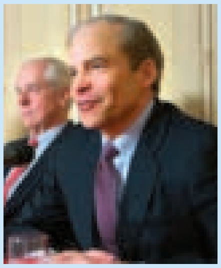
Linda Treviño, director of the Shoemaker Program in Business Ethics at the Smeal College of Business at Pennsylvania State University, speaking as the Day Family Ethics Lecturer

> "The employees at the bottom of the organization were concerned about unethical behavior but succumbed to the pressure from their supervisors and followed orders."
>
> — **LINDA TREVIÑO**

Her research shows that business leaders must be careful in setting goals and implementing appropriate performance management systems, Treviño said. Executives should be held accountable for the consequences of following those policies and should assess both the ends and the means in creating an ethical culture at their organizations.

"Any performance management system should be designed to include ethics. And while these systems are complicated, the details, including implications, should be communicated to the entire chain of command," she said. "Unfortunately, there is still little attention being paid to connecting personal values to behaviors and performance in businesses today."

IN THE SPOTLIGHT: LANDMARK SC JOHNSON GIFT


H. Fisk Johnson

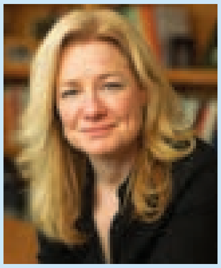
The $150 million donation by **H. Fisk Johnson '79, MEng '80, MS '82, MBA '84, PhD '86**, and SC Johnson, recognized by renaming the Cornell College of Business the Cornell SC Johnson College of Business, was widely reported in news outlets across the country in February, including *The Seattle Times, The Wall Street Journal, The Chronicle of Philanthropy*, and Beat the GMAT. The gift is among the largest made to any business school. (See story on p. 17.)

CHINA-GERMAN RELATIONS WARMING UP


Andrew Karolyi

On the eve of a landmark meeting between China and the European Union, **Andrew Karolyi**, associate dean for academic affairs and professor of finance, discussed German-China relations on the China Global Television Network (May 31). In the on-air interview, Karolyi noted how a shift in the global political landscape toward greater protectionism is influencing and altering relationships among many nations, including China and Germany. "There is no doubt in my mind" that Germany is pivoting toward China, Karolyi said. "The stakes have never been higher for this relationship." According to Karolyi, factors behind these warming relations include China's "Belt and Road Initiative," envisioned as a modern Silk Road trading route extending from Asia to Europe, and a new openness to easing restrictions on entry and investment in China. The controversial decision by the U.S. to withdraw from the Paris Climate Accord has also helped bring these partners together.

A BARGAINING STRENGTH: CLARITY


Kathleen O'Connor

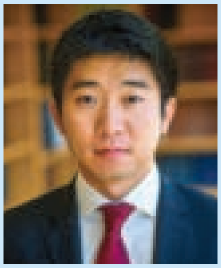
Kathleen O'Connor, associate professor of management and organizations, was quoted in an Associated Press article about the Trump Administration's first 100 days ("Trump finds that CEO-as-president isn't always a natural fit," April 27). The piece was picked up by major media outlets, including *ABC News*. Commenting on why Trump has struggled in applying his experience as a corporate CEO toward remaking Washington and enacting an ambitious policy agenda, O'Connor said: "He seems to lack some clarity with what he wants. It's hard to take that reputation to the bargaining table because you don't know if you're going to get the same guy two days in a row." O'Connor's research focuses on negotiation, teamwork, and decision making.

BEST 40 UNDER 40 PROFESSOR: KRISTINA RENNEKAMP


Kristina Rennekamp

Kristina Rennekamp, assistant professor of accounting, was named one of this year's "Best 40 Under 40 Professors" (Poets & Quants, March 26). Rennekamp, who earned her MS and PhD at Johnson, teaches financial accounting in both the One-year MBA in Ithaca and Executive MBA Americas programs. In her research, she examines financial accounting from a behavioral perspective, with a focus on how biases affect managers' disclosure decisions and users' judgments with respect to those disclosures. According to the article, "Rennekamp is known as a triple threat. This is in reference to her off-the-charts performance in three key areas: research, teaching, and service."

A BULLISH MARKET VIEW

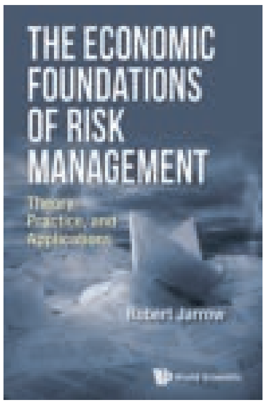

Darien Huang

A new stock market indicator developed by **Darien Huang**, assistant professor of finance, is drawing notice in the world of equity trading for its historical accuracy and contrarian outlook. According to a MarketWatch article ("Opinion: Here's why the S&P 500 might actually be undervalued," April 4), Huang's research found the ratio of gold to platinum prices has outperformed nine common predictors of the overall stock market since 1975, including both the Shiller P/E ratio and the price-to-dividend ratio. According to Huang, the article reports, the ratio works because "platinum is a purer play on industrial demand than gold. When the ratio is high — as it is now — then the market is discounting a higher-than-average degree of risk." This results in upward pressure on stock prices to help compensate for that risk.

UNDERSTANDING RISK MANAGEMENT

Robert Jarrow's new textbook on the economic models used to manage business and portfolio risk

By John E. Young



Robert A. Jarrow is the Ronald P. and Susan E. Lynch Professor of Investment Management and professor of finance at Johnson and author of *The Economic Foundations of Risk Management: Theory, Practice, and Applications* (World Scientific Publishing, December 2016).

With *The Economic Foundations of Risk Management*, Robert Jarrow continues his efforts to demystify investment valuation and risk management. Jarrow, the Ronald P. and Susan E. Lynch Professor of Investment Management at Johnson, is one of the field's leading experts (and practitioners), but his new book is not intended for would-be financial engineers. Instead, it aims to give MBA students a solid understanding of the function, theoretical underpinnings, and limitations of the complex economic models on which modern risk management strategies are founded.

"Risk management has become very quantitatively oriented," Jarrow says. In part, this is in response to financial regulation, but also because of the complexity of today's markets and institutions and the bewildering variety of financial instruments now traded.

"You have to quantify risk to measure it," Jarrow says, "but most MBA students aren't exposed to the risk models." As a result, MBAs often view them as mysterious "black boxes," don't understand their logical structure or how to use them, and treat their results with either great skepticism or excessive deference.

"Risk models are not oracles. They are useful tools, but not the whole answer," Jarrow explains, adding that MBAs need to have a holistic understanding of how models fit into a larger strategy for managing risk.

In pursuit of that understanding, the book delineates categories of assets and risk, showing what can be modeled economically — and how — in clear language and in mathematics. Jarrow argues that the math is important for a clear understanding of the concepts involved, and that his approach is to "show students the equation, but reduce their fear."

Derivative securities' values are founded on those of underlying primary assets, such as stocks, bonds, and commodities. Complex assets can be valued, and their risks modeled, by using combinations of simpler assets that replicate their cash flows, in conjunction with calculation of their "state price density," a risk measure that integrates their value across all potential economic scenarios.

The book delineates the four fundamental categories of risk — market, credit, liquidity, and operational — and adds a fifth: funding risk. Funding risk, which stems from the combination of liquidity risk and trading constraints, particularly margin requirements and borrowing limits, brought down many of the firms that failed or received bailouts during the 2007–2008 financial crisis.

The book also focuses on risk optimization and managing risk. It concludes with case studies of notorious financial failures. Some firms were brought down by operational problems and lack of internal controls, rather than a failure to properly model risks. Barings Bank, for example, a storied two-century-old British institution, gave a 24-year-old trader in Singapore unlimited access to its capital, no trading limits, and the authority to settle his own transactions. He lost $1.3 billion speculating on Nikkei index futures, and the bank collapsed. Other failures might have been averted by better risk modeling, or by a clearer understanding of what risk modeling revealed.

Jarrow draws three lessons for managers from the cases: understand your returns, set up proper incentives, and control funding risk. Risks are managed not just by hedges and diversification, but also by close attention to operational controls, auditing, and accounting. And interestingly, Jarrow, one of the world's foremost financial engineers, is emphatic about the importance of human management in controlling risks: "Understand your people and what is motivating their performance."

Jarrow's previous book, *An Introduction to Derivative Securities, Financial Markets, and Risk Management*, co-authored with Arkadev Chatterjea, was the first derivatives textbook for non-specialists. His new book extends his effort to illuminate the workings of derivatives markets and risk modeling. "In a world where trillions of dollars of complex securities trade each year," Jarrow says, "it's not safe for MBAs to not understand them and the risks they entail."

GLOBAL INNOVATION INDEX 2017 HIGHLIGHTS INNOVATION ADVANCES IN EUROPE, AFRICA

GII's 10th anniversary edition includes a new section on "invention hot spots" around the globe.

By Susan Kelley

Switzerland, Sweden, the Netherlands, the United States, and the United Kingdom are the world's most innovative countries, while a group of nations including India, Kenya, and Vietnam are outperforming their development-level peers, according to the Global Innovation Index (GII) 2017.

The index was co-edited by Soumitra Dutta, founding dean of the Cornell SC Johnson College of Business, in partnership with INSEAD and the World Intellectual Property Organization (WIPO).

Key findings show the rise of India as an emerging innovation center in Asia, high innovation performance in sub-Saharan Africa relative to development, and an opportunity to improve innovation capacity in Latin America and the Caribbean.

Each year, the GII surveys some 130 economies using dozens of metrics, from patent filings to education spending, providing decision-makers a high-level look at the innovative activity that increasingly drives economic and social growth.

Cornell SC Johnson faculty, and other Cornell faculty and staff, wrote significant portions of the report. The report's theme this year is Innovation Feeding the World, and Cornell faculty contributed their expertise at the intersection of business and agricultural sciences.

The chapter on "Innovation in Agriculture and Food Systems in the Digital Age" was written by Harold van Es, professor of soil and water management, and Joshua Woodard, assistant professor of applied economics and management.

Miguel Gómez, associate professor of applied economics and management, and Katie Ricketts, MS '12, wrote the chapter on "Innovations in Food Distribution: Food Value Chain Transformations in Developing Countries and Their Implications for Nutrition."

Dutta, GII lead researcher Rafael Escalona Reynoso, and GII project manager Jordan Litner contributed to Chapter 1, which sums up the results and findings of this year's report.

Dutta founded the Global Innovation Index in 2007 while a professor at INSEAD. His goal was to produce a comprehensive broad-based model of innovation that captured its complex nature in both developed and emerging economies. This year marks the 10th edition of the report.

In a new feature for the GII, a special section by WIPO looks at "invention hot spots" around the globe that show the highest density of inventors listed in international patent applications.

The GII 2017 notes a continued gap in innovative capacity between developed and developing nations and lackluster growth rates for research and development activities at the government and corporate levels.

In 2017, Switzerland leads the rankings for the seventh consecutive year, with high-income economies taking 24 of the top 25 spots; China is the exception at 22. In 2016, China became the first-ever middle-income economy in the top 25.

"Efforts to bridge the innovation divide have to start with helping emerging economies understand their innovation strengths and weaknesses and create appropriate policies and metrics," said Dutta. "This has been the GII's purpose for more than ten years now."

The index is submitted to an independent statistical audit by the Joint Research Centre of the European Commission. To download the full report visit: www.globalinnovationindex.org.

Co-editors of the GII 2017 are (right) **Soumitra Dutta**, dean, Cornell SC Johnson College of Business, and (left) Bruno Lanvin, executive director for Global Indices, INSEAD. The index was developed under the direction of (center) Francis Gurry, director general, World Intellectual Property Organization.


The Global Innovation Index 2017
LEADERS IN INNOVATION
Every year, the Global Innovation Index ranks the innovation performance of nearly 130 countries and economies around the world. Each country is scored according to 81 indicators.
Global
1 Switzerland
2 Sweden
3 Netherlands
4 USA
5 UK
Regional*
Northern America
1 USA
2 Canada
Europe
1 Switzerland
2 Sweden
3 Netherlands
South East Asia, East Asia, and Oceania
1 Singapore
2 Republic of Korea
3 Japan
Northern Africa and Western Asia
1 Israel
2 Cyprus
3 UAE
Latin America and the Caribbean
1 Chile
2 Costa Rica
3 Mexico
Central and Southern Asia
1 India
2 Iran
3 Kazakhstan
Sub-Saharan Africa
1 South Africa
2 Mauritius
3 Kenya
Income group*
High-income
1 Switzerland
2 Sweden
3 Netherlands
Upper-middle income
1 China
2 Bulgaria
3 Malaysia
Lower-middle income
1 Viet Nam
2 Ukraine
3 Mongolia
Low income
1 Tanzania
2 Rwanda
3 Senegal
* Only economies with a data coverage of more than 60% are considered.
www.globalinnovationindex.org
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WATCH YOUR LANGUAGE: THE VALUE OF CLARITY

In investor communications, good writing can attract investors and enhance share prices.

By Irene Kim

When considering potential investments, people care only about the numbers: a fund's returns, a firm's profits. Right?

Wrong. The words that accompany those numbers speak volumes. "The language around these disclosures is what actually gives the performance some meaning to investors," says Kristina Rennekamp, assistant professor of accounting at Johnson. The good news: Plain talk is the most understandable — and persuasive.

In research conducted independently of one another, Rennekamp and her Cornell SC Johnson College of Business colleague, Byoung-Hyoun Hwang, assistant professor of finance at Dyson, along with their co-researchers, have found that the words in a prospectus or shareholder report can strongly affect people's willingness to invest in a firm, how much readers believe a firm's claims, and even a fund's share price.

Perception is reality

Research into language and its effects on investors isn't new, but Rennekamp and Hwang wanted to explore fresh angles. Rennekamp was intrigued by the Securities and Exchange Commission's (SEC) efforts to help firms write better, such as the Plain Writing Act (2010) and *Plain English Handbook* (1998). Presenting study participants with stock prospectuses that emphasized either concrete or abstract language, she found that concrete language made people more likely to invest ("Does Concrete Language in Disclosures Increase Willingness to Invest?" with W. Brooke Elliott, University of Illinois, and Brian J. White, University of Texas, *Review of Accounting Studies* 20.2, 2015).

Curious about other researchers' speculations that firms intentionally write badly to obscure poor performance, Rennekamp conducted further research ("Disclosure Readability and the Sensitivity of Investors' Valuation Judgments to Outside Information," with Elliott and H. Scott Asay, University of Iowa, *The Accounting Review*, 2016). "I thought, 'Wouldn't people just go somewhere else to find information they can understand?'" She confirmed her suspicions: When participants in this study read a badly written firm prospectus, they relied more on outside sources to help them decide whether to invest.

For his research, Hwang asked another question: "If I write poorly, will investors punish me?" To find out, he and his co-author studied the readability of annual reports for 92 closed-end equity funds between 2003 and 2013 ("It Pays to Write Well," with Hugh Hoikwang Kim, University of South Carolina, *Journal of Financial Economics*, 2017). "When there's a 10 percentage point increase in the number of writing faults per sentence, funds on average trade at about a 2.7 percentage point greater discount," says Hwang.

> "Wouldn't people just go somewhere else to find information they can understand?"

Echoes of our high school English teachers

Rennekamp and Hwang took many of their good writing tips from the *Plain English Handbook*, which offers excellent guidance, including: Keep sentences short; avoid the passive voice, weak verbs, and jargon; don't be wordy; limit terms that have to be defined; be concrete. They offer a few more pointers here:

Keep it simple, stupid (KISS). The principles of good writing boil down to common sense. "Construct simple sentences that your readers can process easily," says Hwang. Cull the jargon and legalese. Lots of passive voice, longwindedness, and modifiers make a reader's eyes glaze over. For example, compare these sentences: "No person has been authorized to give any information or make any representation other than those contained or incorporated by reference in this joint proxy statement/prospectus." Versus "You should rely only on the information contained in this document."

Picture your reader. Warren Buffett, in his preface to the *Plain English Handbook*, urges writers to pretend they're addressing a specific person — say, an intelligent, interested sibling who isn't a financial expert. When in doubt, Hwang suggests, err on the side of simplicity. "At least based on our evidence, it doesn't seem like investors punish you for constructing 'baby sentences,'" he says.

“If I write poorly, will investors punish me?”

Be concrete. Concrete statements tend to be easier to visualize than abstractions (compare “Jim attends church weekly” with “Jim is devout”). When research participants read a stock prospectus with concrete language, they felt more comfortable and more willing to invest. “There’s all this evidence that people are biased toward firms that feel more familiar to them,” says Rennekamp.

Don’t try to hide bad news with poor writing. “Based on our evidence, you will be punished for bad writing,” says Hwang. As Rennekamp found, poor writing sends people to look for outside information. Worse yet, “When investors can’t process a text easily, they’ll trade you at a discount,” says Hwang.

Run a writing “spell checker.” Rennekamp points out that Style-writer, a copyediting software that Hwang used to “grade” the annual reports in his study, is excellent for improving writing. “If you have an important document, run it through copyediting software to check for clarity and readability. That can make a huge difference in how effective a communicator you are.” Many researchers do this with their papers before submission, she says: “It’s the same idea: You’re going to be more convincing with your research if people can understand what it’s saying!”

Change small things to make a big difference. Some firms may balk at expending effort on writing for various reasons: because they feel they lack the staff, or because they want to address only those documents required by the SEC to contain “plain language.” But Hwang and Rennekamp emphasize that the benefits of writing well make it worth the effort. “Small firms, especially because they may be less familiar to people in the first place, may have to work harder to establish their credibility with people,” Rennekamp remarks. “If they can communicate more clearly, that definitely makes them seem more credible and professional.”

Kristina Rennekamp, assistant professor of accounting at Johnson

Byoung-Hyoun Hwang, assistant professor of finance at Dyson

Rennekamp adds a piece of advice to investors — *caveat emptor:* Good writing can hide poor results. When participants in Rennekamp’s study read a well-written prospectus, they tended not to seek outside information — at the risk of overlooking bad news. “If what the firm is saying is so clear and convincing — say performance is poor but the manager gives a really clear, slick explanation and convinces you that things will turn around — and you don’t dig deeper to see if there are some fundamental problems, that could be bad for you,” adds Rennekamp.

Stronger share prices and happier investors are incentive enough, but the icing on the cake is that writing well is easy. “I’m continually surprised by how such little differences [in phrasing] can cause pretty big differences in how stakeholders feel about a company,” says Rennekamp. “We’re not changing the content of the disclosures; we’re just changing tiny little style words, and that actually affects people’s investments — which could be thousands or hundreds of thousands of dollars.”

SHOWING DISTRESS AT WORK? TO RECOVER, REFRAME IT AS PASSION

By Susan Kelley

Imagine you’re about to give a high-profile presentation at work. You’ve been working on it for weeks. Your boss and the company’s CEO are sitting right across from you. Crucial funding for the company — and your possible promotion — hang in the balance. Suddenly, your presentation images become garbled. Then your computer crashes. You feel panicked, disappointed and defeated. You’re worried that showing your distress will cause your superiors to see you as incompetent. But you start sobbing, unable to hide how you feel.

Now what?

Sunita Sah, assistant professor of management and organizations, and her colleagues have a novel strategy to save your professional reputation: Reframe your distress as passion for the project.

Their new study suggests people who reframe a display of distress as passion, rather than emotionality, are seen as more competent and are more likely to be hired and chosen as a collaborator. "You can take some control of the situation after the event by reframing it to others as, 'I was upset because I'm very passionate about this project,'" said Sah, the John and Norma Balen Sesquicentennial Fellow at Johnson. "Our studies show that reframing distress as passion changes how other people assess your competence."

Sah and her colleagues, Elizabeth Baily Wolf of Harvard Business School, Jooa Julia Lee of the University of Michigan, and Alison Wood Brooks, also of Harvard Business School, outline this strategy in their paper "Managing Perceptions of Distress at Work: Reframing Emotion as Passion," published in the November 2016 issue of Organizational Behavior and Human Decision Processes.

"Being passionate is often stated as an important attribute for employees; passion is associated with determination, motivation, and having a high degree of self-control. Being emotional, however, has almost a negative mirror effect and is associated with irrationality, instability, ineptitude, and a low degree of self-control," said Sah.

Prior research in emotion regulation examined "cognitive reappraisal" — that is, changing how one thinks about a situation to feel differently about it. For example, someone who is anxious about a performance can reappraise the anxiety as excitement and thus feel more positively about the performance. This new research is the first to examine what Sah and her colleagues term "emotion reframing" — a public reframing of the emotion to influence observers' perceptions rather than a private cognitive reappraisal.

The researchers conducted five experiments to assess how people viewed others' responses to stressful situations. The first two experiments revealed that participants who heard others say, "I was very passionate" versus "I was very emotional" about a stressful incident perceived the person expressing distress to be more competent. The next study asked study participants to think about a time when a co-worker expressed distress and then describe how it showed the co-worker was either emotional or passionate. "Just by asking people to reframe their co-workers' distress altered perceptions of their co-workers' competence," Sah said.

Sunita Sah, assistant professor of management and organizations

The final two studies demonstrated that emotion reframing can influence interpersonal decisions. Reframing distress as passion rather than emotion led to higher perceptions of competence, which led participants to say they would be more likely to hire the passionate job candidates or choose them as collaborators on a project.

Sah explains "Emotion reframing appears to work because emotionality tends to be associated with negative attributes, such as an inability to act and think rationally and make sound decisions."

"If you're in a workplace with very restrictive emotion display rules," she said, "where it's frowned upon to display any kind of emotion, attributing distress to passion may be even more beneficial."

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"Passion is associated with determination, motivation, and having a high degree of self-control. Being emotional, however, is associated with irrationality, instability, ineptitude, and a low degree of self-control."

This article was originally published in the Cornell Chronicle, Dec. 12, 2016.

GitLinks co-founders (left) Ian Folau, MBA '16 (Cornell Tech), CEO, and (right) Nwamaka Imasogie, MEng '16, COO

RISKS AND REWARDS

[S]ix months into his graduate work, Ian Folau had an epiphany during Professor Steven Gal's Entrepreneurial Journey class. "My heart is racing," he wrote in his notebook. After class he told his wife of ten years, Miranda, "I don't want to interview with Google this afternoon. I don't want to interview with anyone anymore. I want to start a business."

"I know," Miranda replied. "That's who you are."

Folau, who spent nine years as a manager in the U.S. Army, found a kindred spirit in Nwamaka Imasogie, a former software manager and engineer at Chevron. Together they co-founded GitLinks, an open-source risk management tool for digital developers.

While Folau heads up business development, networking, and chatting with potential customers, Imasogie oversees engineering and software development — "thinking through the entire user experience," she says.

GitLinks began as a capstone project at Cornell Tech in February 2016. Working with teammates Nicolas Joseph, MEng '16, and Bonnie Ding, MBA '16, Folau and Imasogie brainstormed a search engine that generates a trust score that evaluates the quality and reliability for open-source software. Last spring, the venture won a Cornell Tech Startup Award, providing $80,000 of pre-seed funding and access to the Cornell Tech co-working space in Midtown Manhattan. (Joseph and Ding have moved on to other ventures.)

Prior to its public launch in May, GitLinks has retooled its focus to monitor three vital elements in open-source software: security vulnerabilities, restrictive licenses, and maintenance activity. "It is physically impossible for humans to manually track all of the open source a company uses for these risks, continuously," Folau says. "We built a system to track open source and risks automatically."

The prototypical GitLinks client is a "mature" company with 200-plus employees that builds software, tech products, or web applications. "The younger startups," Folau adds, "are probably just hacking things together."

— Dick Anderson

Ian Folau at the GitLinks table at TechDay New York 2017 (April 18), the largest startup event in the U.S., where he and **Nwamaka Imasogie** met with over 200 people.

IAN FOLAU, MBA '16 (CORNELL TECH)

NWAMAKA IMASOGIE, MENG '16

GITLINKS

A WORLD OF ADVENTURES

Ethan Hawkes was on a solid career path as a leader in McKinsey & Company's global travel practice, receiving "encouraging feedback" about his future after seven years on the job. But with the soul of an entrepreneur, he set out to create his own adventure: a travel platform that would bring "great things to do in any destination" under a single aggregator — an Airbnb for the experience-seeker.

"This is one of the final frontiers of travel that hasn't been digitized," says Hawkes, who in February 2016 co-founded PlacePass in Cambridge, Mass., with chief brand officer Emily Bernard (who previously worked at *Foreign Policy* magazine doing "nation branding" campaigns with foreign governments). "It felt like a once-in-a-lifetime opportunity from a marketing and a personal perspective."

While pursuing his MBA, Hawkes led a group of Hotel MMH students to do destination branding for Zambia. He encountered some "pretty amazing" vacation experiences, from walking safari tours to hang gliding over Victoria Falls, and saw an opportunity to create a digital platform to highlight those activities.

According to Hawkes, nearly one third of all travel experiences are transacted online, a number that is expected to double within five years. PlacePass offers more than 100,000 experiences in 117 countries, ranging from a $4.8-million hot air balloon ride over Mount Everest to free walking tours in major cities.

ETHAN HAWKES, HOTEL '07, MBA '10

CO-FOUNDER & CEO, PLACEPASS

With Marriott International coming on board as an equity partner, guests staying at any Marriott property will be able to book activities through PlacePass via the Marriott and Starwood Preferred Guest apps beginning this summer.

"By bringing together great things to do from leading travel websites, we enable people to save time and money and make the most of their time in-destination," says Hawkes, whose personal bucket list includes an "early morning outing with a Maine lobsterman." That's one destination that PlacePass doesn't offer just yet.

— Dick Anderson

Akureyri Express, Eyjafjord: humpbacks off the coast of Iceland

PHOTOS COURTESY OF PLACEPASS

PHOTO CREDIT: JIM ROESE

DIONNE JACKSON, MBA ’09

FOUNDER, MILLION DOLLAR MOXIE

BIG BANG FOR YOUR BUCK

[D]ionne Jackson has raised a lot of money for Vassar College, the University of Pennsylvania, the University of the Virgin Islands (UVI), and Lehigh University. But she’d never added it all up until she thought about going out on her own. Doing the math on the back of an envelope, she soon realized that she and her teams had raised over $100 million — hence the nickname “The $100 Million Woman.”

That’s a heck of a hook for her new business: Million Dollar Moxie, a Philadelphia-based boutique consulting firm dedicated to delivering high-impact fundraising on a limited budget. One way to do that is through technology: In an otherwise flat 2016 for philanthropy, donations received online or through mobile devices grew by double digits. “Our specialty is bringing in big gifts,” Jackson says, “but any organization that is not leveraging technology is leaving money on the table.”

Jackson’s Million Dollar Moxie story begins in 2012, when she was vice president for institutional advancement at financially strapped UVI. Her Cornell MBA education “really came in handy,” she says, in implementing an effective organizational structure and strategic plan for fundraising. There, she booked a school-record $5 million gift of real estate, including a quarter mile of beachfront on Hendricks Bay.

Since leaving her most recent job as assistant vice president for leadership gifts at Lehigh last November to run Million Dollar Moxie full time, Jackson has been busy planning seminars for fundraising professionals and volunteers in Philadelphia and Charlotte, N.C. Word of mouth has generated queries from California, Texas, and New Mexico. Closer to home, she’s working on a $2 million capital campaign for a church.

One surprise is “how many people think that fundraisers work on commission,” Jackson says with a laugh. “If I’d been working on commissions all these years, my life would be set.”

— Dick Anderson

SPONSORSHIPPED

VAL TSANEV, MBA ’13

FOUNDER & CEO, SPONSORSHIPPED

A WORD ABOUT SPONSORS

Corporate sponsorship is big business, and it’s getting bigger. According to IEG Sponsorship Report projections, sponsorship spending will reach $23.2 billion this year in the United States alone and $62.8 billion worldwide. But what do sponsors get for their money?

That’s the question driving SponsorShipped, a SaaS platform designed to help corporations make intelligent sponsorship decisions. Since its launch last November, SponsorShipped has curated a database of more than 2,000 global technology events (including a trending score that denotes the “hotness” of specific conferences plus a SponsorShipped score defining which events best match a sponsor’s unique objectives), detailed portfolio analytics, and benchmarking peer-to-peer analyses.

“Sponsorships are no longer only about heartbeats and emotions,” says SponsorShipped founder Valeri Tsanev, speaking from his office in New York City. “Now, chief marketing officers, brand managers, and event marketers need to clearly define return on investment or return on objectives and link those directly to unit economics and business goals.”

Tsanev emigrated from Bulgaria in 2000 with $60 to his name. He majored in computer science at St. John’s University, graduating *magna cum laude*, and enrolled in Cornell’s Executive MBA program while working at Credit Suisse in its investment banking strategy group.

While at Credit Suisse, Tsanev worked on a “huge” project reviewing the portfolio of the bank’s philanthropic activities and sponsorships. “At that time, I realized that millions are spent in the conference sponsorship space and yet no one was able to define what they got out of that conference sponsorship,” he explains. More than 50 interviews with Fortune 5000 companies and SMBs since then have only reaffirmed his convictions.

SponsorShipped is currently in discussions with Microsoft, SAP, AIG, among other companies, “and we are getting great feedback on what we have built so far,” says Tsanev. Having traded 120-hour workweeks on Wall Street to become an entrepreneur, he adds, “Running your own business is not for the fainthearted.”

— Dick Anderson

PHOTO CREDIT: SHELLEY KUSNETZ

A Transformative Gift

$150M gift founds Cornell SC Johnson College of Business

A historic gift from the Johnson family and SC Johnson will create a permanent endowment to support the college's highest ambitions.

By Joe Wilensky

ON Jan. 28, 2017, Cornell University announced that H. Fisk Johnson '79, MEng '80, MS '82, MBA '84, PhD '86, and the family company he leads, SC Johnson, have committed $150 million for Cornell University's College of Business, which comprises the Charles H. Dyson School of Applied Economics and Management, the School of Hotel Administration, and the Samuel Curtis Johnson Graduate School of Management. It is the largest single gift to Cornell's Ithaca campus and the second largest gift to name a U.S. business school.

"There couldn't be a better time to make this gift to get this new vision for Cornell business and the three schools off to a really strong start."

— H. FISK JOHNSON,
CEO AND CHAIRMAN OF SC JOHNSON

SC Johnson CEO and Chairman H. Fisk Johnson takes a selfie with attendees at the 2017 SC Johnson College of Business Community Celebration.

H. Fisk Johnson, CEO and chairman of SC Johnson, on stage at the 2017 SC Johnson College of Business Community Celebration with (left to right): Dean Soumitra Dutta (hidden), President Hunter Rawlings, and President Emeritus Frank Rhodes

The Big Red Band and Big Red Bear perform at the 2017 SC Johnson College of Business Community Celebration.

In recognition of this historic gift and the Johnson family's extraordinary, multigenerational legacy of leadership and philanthropy to Cornell, the Cornell University Board of Trustees approved renaming the college the Cornell SC Johnson College of Business. "Cornell University has been a part of my family for more than 120 years," said H. Fisk Johnson, SC Johnson chairman and CEO, and a Cornell trustee emeritus. "I hope this gift will serve as a significant catalyst to help grow the reach and impact of Cornell's College of Business. The goal is to strengthen the College of Business overall, while enhancing its three individual schools and the qualities that make each exceptional."

"This generous gift will transform business education at Cornell, providing significant and ongoing support for the faculty, students, and programs of the Cornell SC Johnson College of Business," said Interim President Hunter R. Rawlings III. "The benefits and opportunities for students are exciting, the support for faculty at the three component schools is crucial, and the incentives for other donors are inspiring."

Two-thirds of the gift, $100 million, will be used to create a permanent endowment to support the college's highest ambitions. In the near term, the endowment will provide flexibility for faculty recruitment and retention in Ithaca and New York City, increase the college's competitiveness for top students through expanded scholarship resources, and develop and expand programs in and outside of Ithaca. These funds will enable new interdisciplinary research initiatives in areas that leverage and enhance the college's and Cornell's research strengths — particularly in the areas of sustainability and technology.

One new initiative the gift will support is the SC Johnson Scholars program, which will benefit a cohort of undergraduates in Dyson and the School of Hotel Administration. The program will create academic and experiential opportunities that enhance general coursework, including access to SC Johnson-sponsored immersion programs, mentoring, and workshops; domestic and international internships; and shadowing opportunities.

The remaining $50 million of the gift will be used as a current-use challenge grant to leverage philanthropic support from others on a 1-to-3 basis, allowing the college to raise an additional $150 million in endowment and bring the total potential impact of the gift to $300 million. The challenge will have a special focus on faculty and student support, while also promoting innovative programs. Endowment gifts for the college's three schools or the college broadly will be eligible for the challenge.

Launched in July 2016, the College of Business' initial goal was to establish a comprehensive and collaborative business management program to benefit students at all academic stages.

"This extraordinary gift will further that goal by creating more diverse and rigorous learning and research opportunities for both faculty and students across the college's three accredited business

(left to right) President Hunter Rawlings, SC Johnson CEO and Chairman H. Fisk Johnson, President Emeritus Frank Rhodes, and SC Johnson College of Business Dean Soumitra Dutta on stage at the 2017 SC Johnson College of Business Community Celebration

H. Fisk Johnson, CEO and chairman of SC Johnson, shakes hands with President Hunter Rawlings at the 2017 SC Johnson College of Business Community Celebration.

programs," said Soumitra Dutta, dean of the college. "It also will help enhance the unique characteristics and strengths of each and support our mission to realize the full potential of Cornell's business programs."

Each of the three schools maintains its distinct identity and mission, Dutta said, while collectively benefiting from these substantial new resources.

The Dyson School is recognized across New York and around the world as a leader in agricultural, developmental, international, and environmental and resource economics and management.

The School of Hotel Administration is the top-ranked global hospitality program and leads the world in fostering deep business-focused understanding of the service and hospitality industries, real estate, and entrepreneurial training.

Johnson is a globally recognized leader in graduate management education, with a portfolio of innovative programs in Ithaca, New York City, North and South America, and China, and a history of pioneering work in performance learning and integrated leadership approaches in business education.

Huge strides in the college's first year

The gift came just one year after the announcement of the formation of the College of Business and a new era of business education at Cornell. In just the past year, the college was established academically and administratively; its leadership, including individual school deans, was appointed; and the college's career services staff and employer relations efforts were expanded. The college created an integrated admissions portal and cross-listed courses and coordinated scheduling to give students a broader range of classes and multidisciplinary courses across the partner schools. An advisory council was created this past fall.

New space was leased in midtown Manhattan, growing the college's presence in New York City, and in Ithaca, a $25 million gift from Johnson alumnus David Breazzano, MBA '80, is creating the Breazzano Family Center for Business Education in a new six-story building in Collegetown scheduled to open this summer.

A new master's degree in accounting was announced at Johnson, and the Executive MBA/MS in Healthcare Leadership was launched by Johnson and Weill Cornell Medicine. The Cornell SC Johnson College of Business will also continue to partner with Cornell Tech, which will move to its permanent home on Roosevelt Island in New York City this summer.

Already, the college's combined faculty from the three partner schools gives it the third-largest business faculty in the country.

"Fisk Johnson and SC Johnson's historic gift reflects not only a confidence in the strides the college has made in this past year, but also the university's enduring commitment and mission to New York State," Rawlings said. "Fisk, like all of us who care about business education at Cornell, is deeply invested in seeing the three individual schools and their faculty, students, and alumni thrive."

Cornell celebrates Johnson gift and legacy of support

By Krishna Ramanujan

WARM anecdotes of one family's long and inspiring engagement with Cornell set the tone of a "thank you" event Jan. 31 at the Statler Auditorium on campus.

"It is a new day for the study of business at this university — the Cornell SC Johnson College of Business will be a powerhouse in business education," said Interim President Hunter Rawlings at a celebration of the $150 million gift from H. Fisk Johnson '79, MEng '80, MS '82, MBA '84, PhD '86, and SC Johnson, the family company he leads.

"We owe this momentous event to Fisk Johnson and his family as well as to the SC Johnson company, who are partnering to provide this remarkable donation. The Johnsons are, quite simply, one of the very great families of Cornell," Rawlings told an enthusiastic, standing-room-only crowd at the Statler, with hundreds more watching the live stream in overflow rooms and online.

With the formation of the Cornell College of Business last year and the opening of the Cornell Tech campus later this year in New York City, "I really believed that the business program here had a huge opportunity in front of it, and that there couldn't be a better time to make this gift to get this new vision for Cornell business and the three schools off to a really strong start," Johnson said. He added that this was "a wonderful opportunity to do something at Cornell," a place where his family has been connected for generations.

He added that his grandfather, Herbert F. Johnson Jr. '22, came to Cornell after the family business tried to expand from wax products to offer an antifreeze for the Ford Model T. The antifreeze contained salt, which rusted the radiators. "My grandfather was hurried off to Cornell to get a chemistry degree. He was our company's very first chemist," Johnson said.

Johnson's experience at Cornell, including being a member of the Chi Psi fraternity, was "life-changing," he said. "I just wanted a chance to give a little back to Cornell that it has given to me throughout my life."

Soumitra Dutta, dean of the Cornell SC Johnson College of Business, said, "In higher education, significant naming gifts, especially ones of this magnitude … are game-changers." The gift lends confidence to the program, and the "power of this confidence — the message it sends to those within and outside of our campus — cannot be underestimated," Dutta said.

Cornerstone ceremony of the renovated Sage Hall, Oct. 15, 1997 (left to right) Dean Robert Swieringa, President Hunter Rawlings, Sam Johnson '50, Imogene Johnson, and Harold Tanner, chairman of Cornell's Board of Trustees

The gift will help build synergies between the college's three schools, including becoming a world leader in the business of food through the combined experience of the Dyson School and the Hotel School, he said. The three-year-old Johnson-Cornell Tech MBA "is creating business leaders with deep knowledge of technology" and leveraging ideas from the digital revolution in business, Dutta said.

President Emeritus Frank H.T. Rhodes spoke about the Johnson family's history at Cornell and his friendships with Johnson family members over four decades, including Sam Johnson '50 and his wife, Imogene Powers Johnson '52, and Fisk and his siblings Curt Johnson '77, Helen Johnson-Leipold '78, and Winnie Johnson Marquart '81.

When the Cornell Board of Trustees approved the naming of the Samuel Curtis Johnson Graduate School of Management in 1984, it did so to express its gratitude, but also to "acknowledge the commitment to humane management and uncompromising quality that the Johnson name came to signify in the business world," Rhodes said.

"Giant towers rest on a foundation of visionary purpose," Rhodes said, quoting legendary Cornell historian Morris Bishop, class of 1913, MA '14.

"Fisk, our deepest thanks to you and your family and your company for providing a foundation of visionary purpose through your generosity and your commitment to the Cornell SC Johnson College of Business," he said.

The Cornell community's celebration of the historic gift naming the Cornell SC Johnson College of Business is available to view on CornellCast.

These stories were originally published in the Cornell Chronicle, Jan. 28 and Jan. 31, 2017.

A CATALYST FOR REGIONAL CHAMPIONS IN EAST AFRICA

PAUL KAVUMA, MBA '93, FOUNDER AND CEO OF CATALYST PRINCIPAL PARTNERS

BY LAURA HEATON

When terrorists attacked the high-end Westgate Mall in Nairobi, Kenya, in September 2013, businessman Chris Getonga was just driving away. He had gone to the mall that Saturday morning to buy a present for his friend's daughter on the way to her graduation party. As he did most mornings, he also stopped in to say hello to staff at his Mimosa Pharmacy. The chain of pharmacies was Getonga's most valuable venture, and its flagship store was on Westgate's ground floor.

As he steered into Nairobi traffic less than five minutes after leaving the mall, Getonga's phone rang. His brother was calling to say gunshots had been reported inside Westgate, possibly connected to a bank robbery. But soon it was clear the attack was the work of terrorists.

Footage from the four-day siege by the extremist group al-Shabab, taken by CCTV cameras, shows the four gunmen speaking to customers and then shooting them and mowing people down as they tried to flee. At least 67 people were killed.

"Luckily my staff were all okay," Getonga says. His pharmacy was looted and the remaining merchandise was soaked when an explosion elsewhere in the mall set off the fire sprinkler system. Getonga had been on the verge of opening two new Mimosa branches on the Kenyan coast. But the mall attack undid his goal of creating a Kenyan spinoff of CVS or Duane Reade — at least initially.

Mimosa's Westgate branch accounted for more than 20 percent of Getonga's business. For two years while the mall was closed, he lost that revenue. The U.S. travel ban issued for Kenya in the wake of the attack compounded his company's woes; foreign tourists — the lifeblood of the Kenyan economy — no longer flocked to the country's palm-fringed beaches.

Despite these sudden blows, the private equity firm Catalyst Principal Partners, still a relative newcomer to the market but an enterprising and quickly relevant one, saw great potential in Mimosa's foundation. Catalyst founder and CEO Paul Kavuma, MBA '93, had a long-term relationship with Getonga and had discussed the

PHOTO CREDIT: ADRIANE OHANESIAN

potential of investing in Mimosa for many years. Unintimidated by the crisis, Catalyst accelerated engagement and acquired the pharmacy chain in 2014, planning to leverage the platform and build a regional chain with world-class differentiated product offerings. Getonga retained a 5 percent stake, and Kavuma's team at Catalyst partnered with two other investors. They hired a CEO and COO who both had experience launching outlets of the British pharmacy chain Boots and relaunched the company as Goodlife Pharmacy. They quickly began acquiring more retail space and reopened Goodlife's Westgate branch in late 2015.

"It was a complete repositioning of the business, leveraging a platform and key relationships in the market with suppliers and landlords that Getonga had built over many years," Kavuma says, noting that although the company had been saddled with financial struggles after the Westgate attack, it was still the "preferred pharmacy" for real estate developers in Kenya. "That's also how we were able to expand rapidly on the back of the significant equity that he had built in the market, such that we had first choice on prime real estate sites," says Kavuma.

With Catalyst's investment and stewardship, Goodlife grew from eight pharmacies with 95 people on staff to 32 locations with a staff of 260. "Pharmacy is the anchor of Goodlife's product offerings, but we've also leveraged the retail format to drive sales in related products, including health and beauty products," Kavuma says. Several Goodlife branches also have a doctor on staff to provide a one-stop solution for customers: exam, diagnosis, and treatment, all in one.

Kavuma admits that while discussions had been underway with Getonga for several years, a minority investment in the pharmacy to support the ongoing business was previously challenging. "While the health sector and the company's leadership position in pharmacy had always been compelling, the business was subscale with internal capacity constraints, as compared with our focus on mid-market businesses," Kavuma says. "But in the aftermath of the tragic event at Westgate, the site of their largest store, the business faced significant operational and financial pressure that facilitated discussions about a transformational control transaction, with the infusion of management and financial resources that would substantially and fundamentally scale the business. This was the premise under which the investment opportunity became a reality."

Catalyst effectively undertook a transformative makeover of the business — as with a renovation, remodeling, and remarketing of a property — and built on the solid original structure to relaunch better and bigger. It paid off. When Catalyast sold its majority shares in Goodlife to another investment company in 2016, after just two years of partnership, Catalyst had made more than two times its investment.

Kavuma's personal passion for this work gives Catalyst startup energy, combined with the grounding of a leadership team whose members have decades of experience in private equity.

INVESTING IN EAST AFRICA

Kavuma moved back to East Africa in 2004 with Actis Capital LLP, an emerging markets private equity investment firm. "I'd spent most of my career trying to find a way to get back to East Africa and to focus on this region and be relevant in this market," says Kavuma, who was born in New York City to Ugandan parents and spent his childhood in England, Ethiopia, and Kenya before returning to the United States for college. He had Actis write into his contract that he would be based in East Africa within two years of having joined the firm in London in 2003.

Six years into Kavuma's tenure as the head of East Africa private equity (first in London, then in Nairobi), Actis started focusing on investments in the realm of $100 million rather than the $20 million range that Kavuma felt was most relevant in the market. Actis "was growing very fast, becoming a global player, an emerging markets player," Kavuma says. But he wasn't interested in moving to South Africa or Nigeria to cut deals of that size. Mid range appealed to him, from the standpoint of the needs of businesses in the East Africa region as well as for the kind of impact he felt he could have and the returns that could be generated.

"With the large-cap firms, yes, there's a need for capital, but they have many sources," Kavuma says. "The large deals are often intermediated by investment bankers: Multiple investors are invited to participate in a competitive process, with limited opportunity for engagement among entrepreneurs and managers with respect to their strategic aspirations." But Kavuma wanted to be more instrumental in companies' expansion, and more hands on. In 2008 he started soliciting investments for a private equity fund, with a first-round goal of $100 million — and attracted $125 million. He launched Catalyst Principal Partners in December 2010.

"We're not venture capitalists, and we're also not impact investors per se, although we invest in emerging businesses and support dynamic entrepreneurs and managers with the aim of building regional champions of scale," Kavuma says. "And we firmly believe we have a tremendous positive impact on the companies and on the communities in which we operate."

He and his investment team seek out businesses that already have a track record where Catalyst can add value to take a company to the next level. "We work with owners who have already invested significant capital in their business, in an environment where banks are conservative, with limited available risk capital. These owners want to expand into new lines, new segments, and into new markets across the region." Catalyst is well positioned to support the growth of these businesses as an active partner, Kavuma says.

Adil Popat, CEO of the Kenya-based Simba Corporation, says the meticulous approach Kavuma and his team take with their deals and their regional focus were major draws as his family business looked to diversify their portfolio. "We were very keen to invest with him and Catalyst in areas where we would not normally invest," Popat says, mentioning in particular fast-moving consumer goods (like packaged foods and beverages and over-the-counter pharmaceuticals). Simba Corp was an early investor during Catalyst's first round of fundraising and has committed to the second round as well.

"Africa is a volatile environment, and the more portfolio approach you have is, I think, a positive," Popat says. "If one business doesn't do well and one does very well, you can join together and have a stable return." Popat's company invested in Catalyst after a negative experience with another private equity fund that was managed from New York and Chicago. "If you're going to invest in Africa — and I believe this very strongly — you need an African partner. You need someone on the ground who knows the nuances of the businesses, knows the personalities on the ground."

That was a driving vision behind Kavuma's decision to build Catalyst. Private equity was still a new concept in East Africa. "There were one or two firms doing it but mostly based outside and parachuting into the market," Kavuma says. "So we felt we could be a pioneer, a homegrown enterprise with people from the region, and do it locally to international standards."

He was up against skepticism from business owners and potential investors. "Ten or a dozen years ago, when I first had those conversations, people were very suspicious. 'This is my business. Who are you? Have you heard I'm broke? Why are you approaching me?' A lot of suspicion." Kavuma says. "The more success stories there are, the more adoption there'll be for this innovative form of funding. So it's a process."

Still, much of the financing for Kavuma's fund comes from international institutional investors, representing about 85 percent of Catalyst's first fund. He expects the second round will still have an international investor weighting, although with greater regional participation, including from local pension funds and high-net-worth investors. (They raised about 60 percent of their $175 million target in a first close in March 2017.) A key hindrance for local fundraising has been a Kenyan regulation that until recently placed time-consuming restrictions on pension fund managers' ability to invest in private equity funds. Kavuma played an active role in advocating for reforms and in June 2016 achieved an important victory. Under the new regulations, up to 10 percent of a pension fund's investment capital can now be invested in private equity, without going through a deterring array of protocols.

> "WE INVEST IN EMERGING BUSINESSES AND SUPPORT DYNAMIC ENTREPRENEURS AND MANAGERS WITH THE AIM OF BUILDING REGIONAL CHAMPIONS OF SCALE."

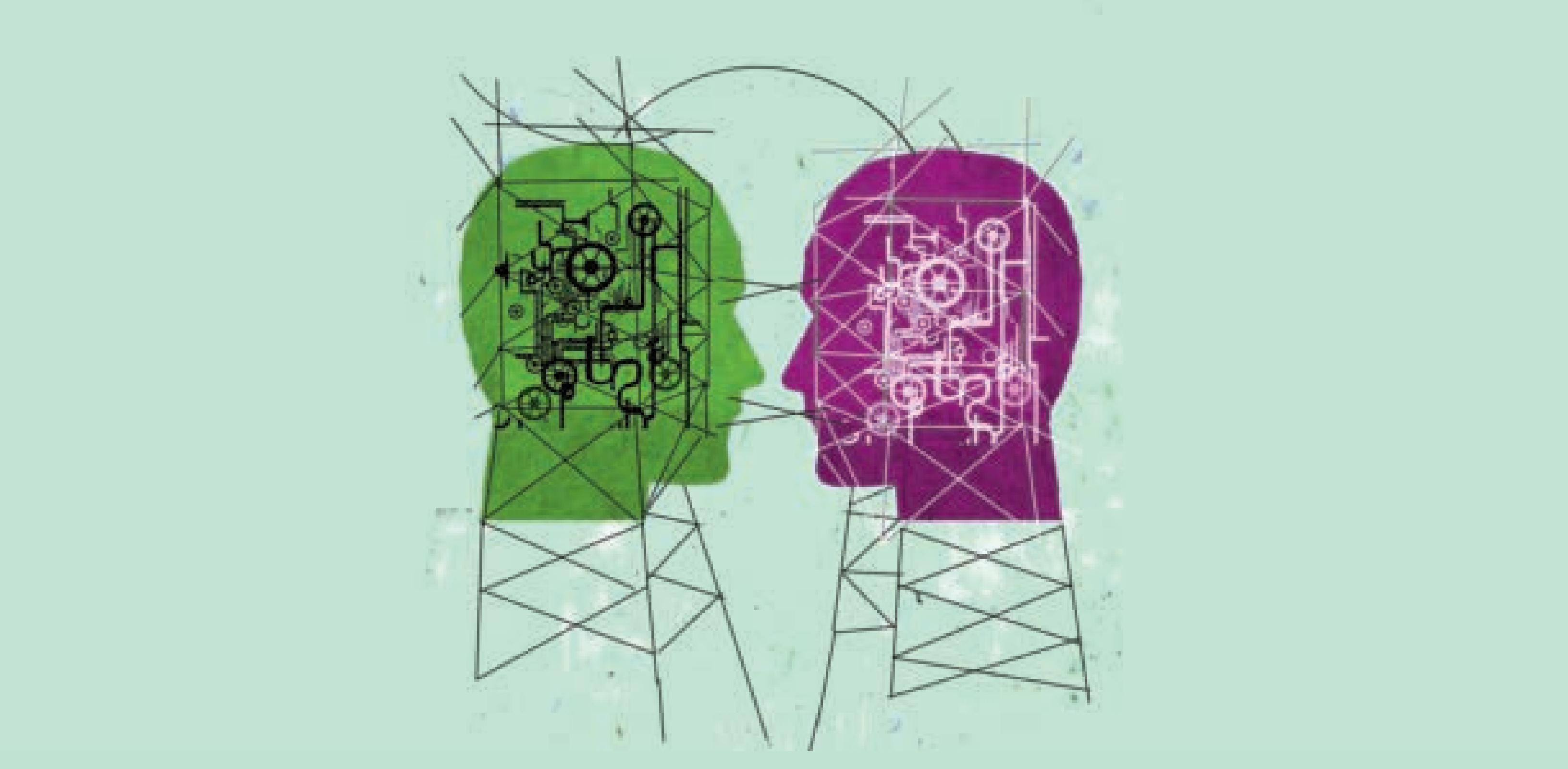
Catalyst's office on Nairobi's Riverside Drive, with its brightly painted walls hung with East African art, feels a long way from where it started with Kavuma on his laptop in a shared office space, trying to build momentum behind his vision to fill what he saw as a critical gap.

Asked about the gamble of starting his own private equity fund — during the financial crisis, no less — Kavuma points to his earliest experience with a company that he dreamed up with a fellow Johnson graduate. Starting Catalyst "was a big leap, clearly, but I had leapt before," Kavuma says. "It goes back to Cornell. As part of my business school courses, I took an entrepreneurship class taught by Professor [David] BenDaniel, who was fantastic."

Kavuma and classmate, Joseph Sabga, MBA '93, drew up the business plan for a virtual reality café where patrons could play video games that immersed them in another world. But, this was 1992. "Our professor said it was a great idea but not believable. Not likely to happen," Kavuma says. He recalls they received a B on the paper as a result. He and Sabga graduated and joined consulting firms.

A couple of years later, Kavuma and Sabga found they were still developing the concept for the venture. They left their well-paid jobs and moved to Miami where they launched Virtua Café. The company thrived for about five years, but without enough innovation yet in virtual reality technology, the games became dated in an environment where the quality and sophistication of video games were evolving rapidly. Professor BenDaniel "probably had a point," Sabga says. "As virtual reality is coming to the forefront these days, I sometimes contemplate about just how far ahead of the curve we were thinking back then."

They sold the company and the expensive virtual reality machines. Kavuma moved to London to become an investment banker. "We didn't make much money out of it, to be honest," Kavuma says. "But it was a fantastic experience."



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IMMERSED IN DIGITAL TECHNOLOGY

Serendipitous. That's the word that Associate Dean Vishal Gaur uses to describe the convergence of experiences, input, and evidence that brought about Johnson's newest immersion, the Digital Technology Immersion.

By Janice Endresen

When he taught at Cornell Tech in the fall of 2014, Gaur was impressed at the quality of interdisciplinary exchanges he witnessed among master's in Computer Science, Engineering, and MBA students there. At the same time, a growing number of students in Ithaca were interested in preparing themselves for digital technology product management careers — so they were creating a combination of courses and technology projects for themselves as a customized immersion.

Two of them, High Tech Club officers Matt Hunt, MBA '16, and Gbadebo (Debo) Aderibigbe, MBA '16, took things a step further and did a survey of students in Ithaca to ask "What technology coursework do we need?" Then they approached Gaur about bringing "more interdisciplinary technology courses into the business school fold," as Hunt put it. "We found great support from Associate Dean Vishal Gaur," he wrote in his blog post the spring of 2015.

"The first thing that I did after I met with those students was to go to the Information Science department and ask one of their faculty members to come and do a workshop for us," says Gaur. "So the first year we just had a short, 1.5-credit course that was team taught by Information Science faculty who presented their research on different topics to our students. And it generated enrollments of between 50 and 70 students." Clearly the demand from students was strong.

Next, Gaur and Hunt interviewed about 20 alumni — from both Information Science and Johnson — in Silicon Valley. And they confirmed that "the need was felt" for MBAs with a strong digital technology background, said Gaur. Soumitra Dutta, then dean of Johnson, gave Gaur the go-ahead to hire a new faculty member with expertise in digital technology to launch and lead the new immersion. "We went to the market and hired Shawn Mankad," said

Gaur. Mankad's expertise is deeply rooted in the intersection between data analytics and economic decision making using machine-learning techniques. He joined Johnson's faculty in August 2015 and "in the fall 2015 semester, we fleshed out the immersion," says Gaur.

That's when Mankad designed three new courses for the immersion, including Introduction to Statistical Programming and SQL (Structured Language Query, a standard language for storing, manipulating, and retrieving data in databases); Advanced Data Analytics Applications and Methods; and the Digital Technology Immersion (DTI) practicum — the hands-on aspect of the immersion, which includes guest lectures by industry leaders in digital technology plus a semester-long project sponsored by industry clients (see sidebar: Tech insights from DTI student projects).

Meanwhile, Gaur approached the chair of the Department of Information Science (IS), then Jeff Hancock, who turned out to be very interested in joint curriculum involving IS and Johnson students because: "Johnson is the biggest destination outside of Information Science for our master's students," the IS chair said. His successor, Thorsten Joachims, was likewise very supportive.

"It seemed like it would be a very good idea to put those groups of students together in the same classroom," says Gaur. "That was appealing." Encouraged by the prospect of creating an interdisciplinary immersion, Gaur took his case to Gilly Leshed, senior lecturer and director of the Master of Professional Studies (MPS) program in the Department of Information Science, to ask her to co-teach in the immersion.

"Vishal contacted me about doing something together, saying 'Our students are looking for some technical training. We want our students to get some knowledge of programming, processing data, and analyzing datasets,'" said Leshed. Gaur told Leshed about hiring Shawn Mankad and described the digital technology immersion as it was developing.

Leshed was game for the challenge and saw it as a win-win all around: She knew her MPS students would be interested in collaborating on projects with MBA students and welcomed the idea of MBA students taking information science classes that would count toward the immersion — which is exactly what happened. "For both of them, this resembles what they will be doing in the future: business people having to speak the engineering language and the engineers having to talk with those who make decisions in the business space," Leshed says.

After launching the DTI, the number of students enrolled in the customized immersion dropped from 85 to between 25 and 30. Both of Mankad's courses have become very popular overall — including among Johnson students not in the DTI: "They are realizing that they should do some of those courses," Gaur says, "because every company is affected by digital technology. Even manufacturing companies want to figure out how their products interact with their users."

PROJECTS FOR THE PRACTICUM: IT TAKES A VILLAGE

Getting projects for the DTI is a combined effort among the faculty, the Career Management Center, students, and external relations staff. "I reach out to our major gift officers and our gift leadership officers within Johnson, because they're out there meeting our alumni," says Candace Maxian, assistant director of public engagement in Johnson's Office of External Relations — the person who pulls together leads from myriad sources and follows up on them. "It takes a lot of outreach — a whole team effort — to get good projects," she says.

Maxian tells the companies she recruits projects from about who will be in their court if they submit a project for this immersion: a cross section of MBAs and MPS Information Science students, people who come from different industry backgrounds and different countries around the world who will look at a business challenge from a fresh perspective and find those out-of-the-box solutions.

It was easier to recruit companies for 2017, Maxian says, because "We had a track to run on." In addition to the research, results, and recommendations they receive in

"BUSINESS PEOPLE HAVE TO SPEAK THE ENGINEERING LANGUAGE AND THE ENGINEERS HAVE TO TALK WITH THOSE WHO MAKE DECISIONS IN THE BUSINESS SPACE."

– Gilly Leshed, senior lecturer, Department of Information Science

a presentation at the conclusion of a project, Maxian adds that: "It's an excellent opportunity for these companies to see students — potential employees — in a different light."

Hunt, one of the High Tech Club officers who surveyed students about their interest in technology coursework in spring 2015, and who became a TA for the first DTI in spring 2016, also helped recruit companies for that first DTI. "He was an intern with IBM in summer 2015 and recruited IBM then," says Maxian. "He also met reps from other companies, told them about the DTI, and got them interested." Hunt is now a senior manager in analytics and technology product marketing at Workday.

Will Rodger, MBA '17, a student in DTI spring 2016 and one of several to do their spring 2017 semester at Cornell Tech, was key to getting projects for DTI spring 2017. "Students go out to conferences and start networking," says Maxian. "Because Will was in the Digital Technology Immersion the first year, he was able to help recruit a number of projects for this year. Will helped us get this year's IBM, Qualtrics, and M&T Bank projects via networking at conferences, including the Johnson Women in Technology conference."

Rodger was an ideal advocate for recruiting company projects because he values his own DTI experience so much. "The opportunity to work on an interdisciplinary team of MBAs and Information Science students and gain real-world, technical experience with an industry-leading company is what sets the DTI apart," says Rodger, who is moving to California this summer to work at a large technology company in a business development role. "I was truly amazed at how much we were able to accomplish as a team over the course of four months, and how much we were able to teach each other."

"This year," says Leshed, "we had a lot more knowledge around what counts as a successful project in terms of how to define it, how to scope it, how to present it to the students, and also how to define the relationships with the clients."

STRAIGHT FROM THE HORSE'S MOUTH

Right at the outset, Leshed and Mankad identified the topics they wanted guest speakers to cover, including software engineering and agile development, fintech and health tech, cloud computing and product management. "These evolved from just talking with alumni and current students about what they are interested in," says Leshed.

"EVERY COMPANY IS AFFECTED BY DIGITAL TECHNOLOGY. EVEN MANUFACTURING COMPANIES WANT TO FIGURE OUT HOW THEIR PRODUCTS INTERACT WITH THEIR USERS."

— Vishal Gaur, associate dean for MBA programs and Emerson Professor of Manufacturing Management

Next, they searched their networks, and the networks of CIS and Johnson alumni, for who could deliver great guest lectures on these topics.

"We found some really engaging guest speakers," says Leshed. "For example, Bill Arms, a professor emeritus in Computing and Information Science who comes back to teach a software engineering class every spring — he talks about software engineering to nontechnical people in the class in a way that's eye-opening. We had a team come from Workday and talk to the students about cloud computing, because this is what they do at Workday."

Leshed notes that both she and her Information Science students find it striking to see just how people-oriented MBA students are. "They look for more ways to interact both with the guest speakers and with the clients," she says. "For MBAs, it's a lot about getting to know them on a personal basis, on a career basis, learning from their experiences and from case studies." To that end, when guest speakers and clients come to campus, Leshed and Mankad schedule opportunities for students to meet and interact with them outside of the classroom.

Several alumni came to speak on a product management panel in April, including Adam Beckwith '14 (Information Science), software product manager at Matereality; Debo Aderibigbe, MBA '16, senior product manager, technical products, at Amazon Web Service; Balu Rajagopal, MBA '11, head of digital platforms at GenZe by Mahindra; and Matthew Hunt, MBA '16, senior manager, analytics and technology product marketing at Workday.

Additional DTI speakers included Bob Lord, IBM chief digital officer, who spoke from deep experience about "Marketing and Technology." Erica Dawson, director of the Cornell College of Engineering Leadership Program, led an intensive workshop and stress-inducing, timed, team-based exercise:

“Team Dynamics and Conflict Resolution.” And Theomary Karamanis, senior lecturer of management education at Johnson, delivered a dynamic presentation filled with dos and don’ts about “Effective Presentation Strategies.”

THE END GAME: DTI GOALS, OUTCOMES

“I view my role as teaching people how to deal with data, to make them fluent in communicating with data scientists or statisticians, or even doing the modeling themselves to some extent,” says Mankad.

To that end, he has adjusted his teaching style to make abstract concepts tangible. “I come from a math statistics background; you write on the chalkboard, and examples may be a little bit dry,” says Mankad. “I found that students definitely learned a lot last year but then had some difficulty connecting what they were learning to what they were going to do on a day-to-day basis in their internships. So I restructured the course content in general. Now, instead of ‘Here’s a mathematical concept, and you figure out how to connect it to your world,’ I’ll present it like, ‘Here’s a task you will have to work on, a real problem in front of you, and here are the concepts that will help you solve this.’ Those adjustments seemed to really help a lot this year.”

Students certainly see the value: Enrollment in Mankad’s electives rose from between 40 to 50 students to 80 students in two years, while enrollment in the immersion doubled from about 25 in 2016 to 50 in 2017. “It is kind of a good problem to have,” says Mankad. “It went well last year, and it’s going even better this year.”

Recruiters are on board, too. “There is a demand for this skillset of how to use data to make decisions across multiple types of functions and applications,” says Liz Arnold, associate director, high tech, entrepreneurship and venture capital in Johnson’s Career Management Center. “Most companies at this point are facing some sort of digital transformation challenge, and these skills can be applicable in so many different ways.”

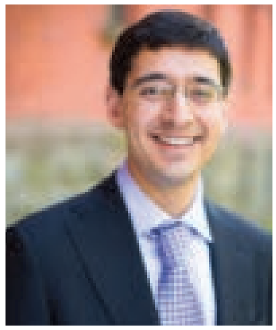
Class of 2017 MBAs who took the DTI in 2016 now have jobs in product marketing, financial operations, tech product management, global technology strategy, and digital strategy consulting at Microsoft, Google, Amazon, McKinsey, Deloitte, and the Boston Consulting Group. Matt Hunt, MBA ’16, is now a senior product marketing manager in Analytics and Technology Product Marketing at Workday. Debo Aderibigbe, MBA ’16, is now a senior product manager, technical products, at Amazon Web Service. Both came back to campus as guest speakers for a DTI product management panel in April. Will Rodger, MBA ’17, is moving to California to work at a large technology company in a business development role.

Class of 2018 MBAs who took the DTI in 2017 are doing internships now in strategy and business development, tech product management, consulting, process transformation (how to improve processes from a technology standpoint), brand management, strategic marketing, and business strategy at some of the same brand-name companies, plus Corning, Cisco, eBay, PwC, and IBM Extreme Blue — a specialized leadership rotation internship. “It’s a good cross section,” says Arnold.

As more companies learn about Johnson’s DTI, reap the insights gained from DTI student consulting teams, understand how well prepared DTI graduates are, and see the caliber of jobs they are snatching up, the program generates more interest and attention. Because there’s no doubt about it: Recruiters in every type of company — large and small, tech-focused or not —are looking for MBAs with expertise in making sense of data and making data analysis actionable.

“The first thing one of the senior VPs at Workday said when I told her I had joined from Johnson was ‘Yes, we need more MBAs here!’” says Hunt. “There is a huge need for critical thinking and structured problem solving in the technology sector. Especially with emerging industries and business models, you need frameworks and modeling skills to organize themes and analyze what-if scenarios. Business schools breathe these skills.”

INSPIRED BY CORNELL TECH



Shawn Mankad

“The Digital Technology Immersion borrowed the core idea of Cornell Tech: this multidisciplinary approach, where you have engineering and computer design and business students all working together,” says Mankad. “A lot of the inspiration comes from that. As for the curriculum — the way we help companies design projects for the practicum — we definitely had discussions with folks who do that in New York City to make sure we learned from their experiences.”

This summer, Mankad taught Introduction to Statistical Programming and SQL to Cornell Tech students in Ithaca. “Hopefully, over time, there will be more synergies,” he says.

“We have had the semester in Cornell Tech’s program for two years now,” notes Gaur. “And next year in the spring semester we’ll be able to send a much larger cohort: 50 to 60 students will have the option to spend a semester at Cornell Tech.”

TECH INSIGHTS FROM DTI STUDENT PROJECTS

As part of the Digital Technology Immersion practicum, student teams work for industry clients to address a technology-related challenge. They devise a project plan using data science, user-centered design, and information technology to research specific aspects of the challenge and deliver a final presentation and report. Clients come from a broad spectrum of companies – including IBM, Qualtrics, M&T Bank, Salesforce, Shutterfly, Verizon, and Workday, among others. Here are a few snapshots about the DTI spring 2017 projects.

IBM user journey team (left to right) Mathew Jastremski, MBA '18; Ryan Laws, MEng '16, MBA '17; Rebecca Kim '12, MBA '18; Chine Sukchan, MBA '18, and Jarad Doyon, MBA '18

IBM Chief Digital Officer Bob Lord brought his team to campus May 15 to actively listen and engage with the two teams of Digital Technology Immersion students who delivered their presentations:

THE IBM USER JOURNEY TEAM focused on IBM's cloud platform, Bluemix, and mapped each step of the customer journey, from assessing search results to developing various personas to walk through the IBM discovery process – settling primarily on a fintech developer exploring options for cloud-hosted analytics – then signing up for Bluemix to try it out. Each team member presented a different aspect of the user experience, with every step supported by data they had collected and analyzed. Each shared insights and made recommendations along the way, with Lord interjecting often to ask questions and to assign areas for follow-up to his staff. After the team summarized their recommendations at the end, including specifics presented as "try insights," "buy insights," and "adopt and advocate insights," Lord and his team applauded and warmly expressed their appreciation.

IBM competitor analysis team with their IBM clients (left to right) Alex Bramlet, MBA '18 (second from left), Akshay Joshi, MBA '18, Tyler Alicea, MPS '17, Will Fothergill, MBA '18 (third from right), and Charmi Mehta, MPS '17

THE IBM COMPETITOR ANALYSIS TEAM zeroed in on IBM software-as-a-service, or SaaS. The team's information science students focused on a heuristic analysis of the customer journey for IBM and competitors' SaaS products, including assessing users' ability to navigate each website, comprehend product function and features, determine whether a product would meet the user's needs, and understand pricing. Beginning at each product homepage, users assessed various aspects of their experience as low, medium, or high at one minute, five minutes, and 15 minutes on the website. The team created charts comparing users' experience with IBM products versus its direct competitors' products and made specific recommendations to improve the user experience. Lord again asked questions and commented to his staff throughout. "This is great – very good information that will act as a catalyst in pushing projects along," Lord said.

THE M&T BANK TECHNOLOGY DESIGN TEAM, encouraged at the outset to design a project on their own, decided to focus on improving the user experience for millennials. M&T was excited by the team's initial results and asked them to go a layer deeper and focus on the future, zero in on relevant technology trends, and imagine new possibilities for the banking industry in the coming five years. Based on their survey of Cornell graduate students' habits and preferences, the team found a real need for people to understand how to manage their finances. So they created two personas, Matt and Tiffany, a recently engaged couple with a big event — their own wedding — to finance and plan. The team used fun, cartoon-strip-style storyboards to convey the couple's savings journey and the tools they would use along the way. For example, Matt would get alerts on his wearable device cautioning him when he was reaching his before-savings spending limit for the month. Knowing her preferences and drawing on her budget information from M&T Bank, Tiffany's AI personal assistant could create a honeymoon travel and hotel itinerary. Tiffany was delighted to jettison the tedious process of finding, selecting, and entering payment information for each purchase. The presentation addressed cybersecurity and privacy issues, especially in light of new products that would rely on data integration with outside sources.

The M&T Bank technology trends team with their clients from M&T Bank and immersion leaders Shawn Mankad and Gilly Leshed: Matt Motyka, MBA '18 back row, right; front row (third from right) Saloni Joshi, MPS '17; Emiri Aoki, MPS '17; and Yi Feng, MPS '17

Qualtrics Stats iQ user study team (left to right) Michael Annunziata, MBA '17; Christopher Hooper, MBA '18, Nick Berthelsen, MBA '18, and Alex Mock, MBA '18

THE QUALTRICS STATS IQ USER STUDY TEAM designed and conducted a user study to assess and quantify the advantages of using Stats iQ over competing analysis software. Focused on quantifying how quickly a user could arrive at data insights, the study measured how much time it took for each participant to perform each task in a series of tasks the team designed. Conducted in Johnson's Debra Paget and Jeffrey Berg Business Simulation Laboratory, the study's quantitative results were definitive: In 100 out of 103 instances, users took longer to complete tasks in Excel than in Qualtrics Stats iQ, even though participants self-identified as being proficient in Excel and had only a two-minute tutorial in Stats iQ. Following their presentation to their Seattle-based Qualtrics project contacts via video, one viewer asked: "Did you come across anything to improve when watching participants?" In response, team members shared users' suggestions for minor improvements to the interface — but noted that most unsolicited feedback from users was about how well Stats iQ works.

THE DIGITAL REVOLUTION TAKES ON HEALTHCARE

BY JEFFREY GANGEMI, MBA '09

On March 26, 2017, an EMT in Parsippany, New Jersey, encountered a patient with clear symptoms of an acute stroke. The EMT needed paramedics to officially diagnose the stroke in order to transport the patient to Morristown Medical Center for tPA, a powerful clot-busting agent.

But time was running short, and the drug would have the best chance to work within 60 minutes of the stroke occurring. Using a mobile smartphone technology called Twiage, the EMT was able to bypass traditional radio communication and send photos of the patient's stroke symptoms with descriptive text to the emergency room nurse at Morristown Medical Center, who instructed him to bring the patient to the hospital directly instead of waiting for paramedics.

Using a built-in triage algorithm, Twiage sent a GPS tag and an estimated time of arrival (ETA) to the hospital. When the ambulance arrived, a room had already been prepped, and the nurse was able to quickly triage the patient's stroke symptoms based on the secured photo. For the patient, a potentially debilitating event became relatively minor, with a much better prognosis for recovery.

Absent the new technology, the first responder would have had to step away from the patient to radio hospital staff an assessment and ETA. And according to a study of three Twiage client hospitals in the Steward Health System in Massachusetts, emergency room personnel would have taken about 14 minutes longer to prep a bed. All the while, the ambulance would have stood idle outside. In total, door-to-room assignment time — the time between arrival at a hospital and getting to a bed for intervention — would have been about 30 percent longer.

That's a lot of wasted time for an inferior outcome, says John Hui, MBA '15, Twiage co-founder. "Radio technology has been the status quo communication system for ambulances since the 1960s, but it's not because better technology isn't available but because of the risk-averse nature of healthcare," says Hui. "People outside the industry can't believe how antiquated the system is." Twiage's innovation in emergency care coordination has been recognized by some prestigious industry organizations. In 2016, the American Medical Association awarded Twiage first place in its Healthier Nation Innovation Challenge, and the American Heart/Stroke Association awarded Twiage the People's Choice Award in its Annual Health Tech Competition.

From mobile technology like Twiage, to telemedicine, big data, and IT applications, digital technology is transforming healthcare in ways both large and small. In many cases, entrepreneurs like Hui are working with administrators and other leaders from across the healthcare system to address a complex market that's ripe with opportunities to reduce waste, humanize care, and improve people's lives on a large scale.

AN INDUSTRY RIPE FOR CHANGE

Though many entrepreneurs and healthcare experts are focused on North American opportunities, some problems — particularly providing access to good healthcare in rural communities — cross borders and boundaries. On April 25, 2017, Dr. Raj Panjabi, co-founder and CEO of Last Mile Health, was awarded the TED Prize, along with $1 million. His Community Health Academy aims to connect makers of potentially life-saving technologies like diagnostic smartphone apps with health workers in the field, all with the goal of serving the estimated one billion people without access to good care.

> "RADIO TECHNOLOGY HAS BEEN THE STATUS QUO COMMUNICATION SYSTEM FOR AMBULANCES SINCE THE 1960s. PEOPLE OUTSIDE THE INDUSTRY CAN'T BELIEVE HOW ANTIQUATED THE SYSTEM IS."
>
> — John Hui, MBA '15, co-founder of Twiage

The scale of the global healthcare industry is mind-boggling. In the United States alone, health expenditures accounted for $3.2 trillion in 2015 — nearly 18 percent of the country's total GDP, according to a 2016 report by the Obama Administration published in the journal *Health Affairs*. And with a growth rate of 5.8 percent per year, health spending is predicted to top 20 percent of GDP by 2025, with nearly one in five Americans on Medicare by that time.

Healthcare economists estimate that about one-fifth of healthcare spending is wasted on wrong or unnecessary treatments. Other estimates, including a 2012 report published by the Institute of Medicine (renamed the National Academy of Medicine in 2015), put healthcare waste closer to 30 percent, making it a trillion-dollar problem — or opportunity.

Hui, who grew up in China but came to the United States as an immigrant during his college years, didn't stumble on the idea for Twiage by mistake. For the past 14 years, he has been working in various industries in healthcare as a serial healthcare entrepreneur and angel investor. Before Twiage, which Hui expects to scale from 12 hospitals to 50 hospitals by the end of 2017, Hui started two other healthcare companies, including Reliant Diagnostics, a radiology management company, and Superus Health, a medical tourism agency that helps patients from China receive high-quality medical services in the U.S.

The Affordable Care Act was partially designed to reduce waste in the healthcare system — to facilitate a shift from fee-for-service care to outcome-based care. In the fee-for-service model, doctors and health providers receive compensation based on the services, tests, and procedures they complete for the patient. Outcome-based care instead rewards positive patient outcomes.

But rather than relying on large-scale government policy to change the system, a new set of technologies across telehealth, big data, and IT may be able to eliminate up to $300 billion of that waste while improving outcomes. Many healthcare insiders argue that digital innovation in the space is long overdue. "I've seen a lot of improvements in technology, with CT scanners, MRI, and imaging technology, how we're treating cancer, chemotherapy, etc. But the basic delivery of healthcare hasn't changed much in the last 50 years," says Bruce Korus, MPS '74, a healthcare consultant who worked for over 30 years as a health administrator.

Korus, who organizes monthly conference calls with healthcare leaders in Silicon Valley and beyond, says that by using models popularized by the tech industry, health services can shift from hospitals and clinics to homes and smartphones. They can also better integrate holistic and behavioral health into medical care while providing services that are easier to use and more affordable. All of these, says Korus, can fuel innovation while helping decrease burnout among health providers, an endemic problem.

Even if the broader industry is resistant, the venture capital community is pushing for change. Funding has been pouring into healthcare startups. According to research firm CB Insights, global equity funding to private digital health startups grew for the seventh straight year in 2016, hitting a high of $6.1 billion. That's up from just over $1 billion in 2010 and just over $0.5 billion in 2009.

TELEMEDICINE SHOWS EARLY SIGNS OF MATURITY

Because it offers such obvious benefits, the global telemedicine market is poised to grow at more than 16 percent per year over the next decade and reach approximately $78.3 billion by 2025, according to a January 2017 report from Accuray Research. Investment continues to flow into the space, with total funding to telemedicine startups pushing above $1.2B since 2013, according to CB Insights.

Indeed, telemedicine remains one of the segments within digital health that is closest to reaching maturity. Other big segments, like wearable technology, Internet of Things (IOT) applications, and personalized health, remain in relative infancy.

Big health providers are firmly on the bandwagon, and virtual medicine in all its forms is spreading rapidly. One Medical Group, a healthcare provider based in San Francisco, was founded on the premise that using telehealth and other IT tools would enable them to cut administrative costs by two-thirds relative to traditional insurers.

"BY USING MODELS POPULARIZED BY THE TECH INDUSTRY, HEALTH SERVICES CAN SHIFT FROM HOSPITALS AND CLINICS TO HOMES AND SMARTPHONES."

— Bruce Korus, MPS '74, healthcare consultant

Some sectors within the digital healthcare tech startup space are beginning to move toward the earliest stages of maturity. While the large majority of equity financing rounds went to early-stage, seed, and Series A companies in 2016, a few more mature companies like Oscar Health Insurance and Flatiron Health also raised large funding rounds. Others, like Truven Health Analytics and NantHealth, respectively, were acquired or IPO'd at valuations in the billions.

GOING TO MARKET: WHO PAYS?

Innovating in healthcare isn't a plug-and-play scenario, however; the system is rife with nuance. As Hui says, healthcare has traditionally been a risk-averse field, and while entrepreneurs and technologists from Cornell and elsewhere continue to bring new treatments, medical devices, and products to market, they are finding an incredibly complex — and constantly changing — market.

For example, unlike in a traditional business-to-consumer model, healthcare payments can come from multiple sources, making revenue models complicated. "The million-dollar question is, 'Who is going to pay for it?'" says Hui. "Sometimes companies have fancy technologies, but without understanding the payment reimbursement model, they will not succeed in the healthcare industry," says Hui. He says Twiage charges hospitals a SaaS-based annual subscription based on how many EMS transports they receive, but to increase adoption, the solution is free for first responders.

The pace of innovation in digital has surpassed technological improvement in physical counterparts, such as medical devices. "There are all kinds of tools to make it easier to do innovation and develop new products — materials, computerized design systems, CNC, 3D printing. All that stuff didn't exist 20 or 30 years ago," says Mike Berman '79, MBA '86, who spent five years leading the cardiology business at Boston Scientific before becoming an early-stage venture investor 17 years ago. "But the tides pushing against innovation [in the medical device space] are much greater. The cost to bring a product to market is much greater than it was 30 years ago."

Before 1976, companies didn't even need FDA preapproval to bring a new device to market, Berman says. And though good for patients and the healthcare system overall, the level of evidence needed to win acceptance and eventual approval from Medicaid has continued to grow. "In pharmaceuticals, it's the reverse of Moore's law — the cost of developing a new molecular entity keeps doubling every five years or so. The same is true of medical devices," says Berman.

And even if the product makes it to market, health plans, including Medicare, may not pay for it. Take CardioMEMS, a battery-free sensor that is implanted into the distal pulmonary artery to continuously measure pressures in the heart, potential heart failure deterioration, and to guide medication adjustments. "These have been shown to prevent heart failure hospitalizations, which are expensive," says Berman. The company was founded over fifteen years ago, and although the device finally got FDA approval in 2014, Medicare has yet to decide whether to pay for it. If approved for reimbursement, the company that makes the device stands to grow quickly, "but it was tough going," says Berman.

In the digital space, there are fewer hurdles to overcome and plenty of opportunities to reduce costs and drive better health outcomes. Many healthcare entrepreneurs have big goals — like finally creating a better system of managing digital health records.

"LEADERS REALLY NEED TO STEEP THEMSELVES IN THE HEALTHCARE SYSTEM IN ORDER TO SEE HOW TECHNOLOGY CAN IMPROVE IT."

— Dr. Rainu Kaushal, chair of Healthcare Policy and Research at Weill Cornell Medicine and director of the new EMBA/MS in Healthcare Leadership

NEW LEADERS FOR A NEW ERA

But the "Uber for healthcare" concept, whereby startups adapt and scale based on successful Silicon Valley models, rarely works in the healthcare space, says Dr. Thomas Campion, assistant professor of Healthcare Policy and Research and director of Research Informatics at Weill Cornell Medicine in New York. "Outside ideas are helpful, and entrepreneurs can help drive innovation, but these entrepreneurial efforts really need to make sure they try to understand the complexity involved in healthcare," says Campion, whose work focuses on making electronic health record data available to scientists.

To provide more context for that complexity, Weill Cornell Medical and the SC Johnson College of Business will launch a new Executive MBA/MS in Healthcare Leadership program in the fall of 2017. The program focuses on healthcare throughout the United States, especially systems that are experiencing vast changes in structure, payment, and regulatory requirements. "So many people have learned healthcare policy, delivery, or administration through mentorship or apprenticeship," says Dr. Rainu Kaushal, chair of Healthcare Policy and Research at Weill Cornell Medicine and a physician and health services researcher, who will direct the new program. "But the system has become so complex that we really need to have training in the fundamental competencies behind it."

The EMBA/MS in Healthcare Leadership zeroes in on real-world challenges facing healthcare. So while students will complete coursework in healthcare policy, leadership and strategy, finance, accounting, and general business, they'll also engage in a six-month capstone project with a healthcare organization facing specific management challenges. In addition to engaging with real-world organizations facing real problems, Kaushal says, leaders really need to steep themselves in the healthcare system in order to see how technology can improve it.

TELEMEDICINE TAKES ON PHYSICIAN SHORTAGES

Existing models like telemedicine, where doctors serve patients through remote technologies, including video, have the potential to humanize healthcare while making it more efficient and affordable. "It's not telemedicine, it's simply the new medicine. It just happens to be delivered via video," says Jamey Edwards, MBA '03, CEO of Cloudbreak Health, a telehealth company based in Los Angeles. "It's not a new concept. It's just one whose time has come and whose adoption is growing rapidly."

When done right, telemedicine can cut down on wait times, increase doctors' time actually serving patients, and even save lives. What's more, since rural hospitals increasingly suffer from a shortage of specialists, like neurologists, telemedicine can "beam" a neurologist into an ambulance or ER, diagnose a stroke victim, and allow a nurse to administer the critical tPA injection much more quickly, as in the Twiage example. And because a small hospital can use technology to diagnose such critical issues, it won't lose ambulance traffic to hospitals with specialists on site.

Telehealth can also help keep patients in their communities while receiving ongoing treatment, and that can improve long-term outcomes, says Edwards. At the same time, by increasing doctor productivity and enabling them to spend more time with patients, telemedicine can help alleviate the burnout that 49 percent of health providers say they feel, according to a study conducted by the Mayo Clinic.

In 2015, the Kaiser Permanente nonprofit hospital chain conducted more interactions between patients and healthcare providers virtually than through in-person visits, according to CEO Bernard J. Tyson. "For the first time, last year we had over 110 million interactions between our physicians and our members," said Tyson at last year's Dreamforce conference in San Francisco, adding that 52 percent of them were done via smartphone, videoconferencing, kiosks, and other technology tools.

In virtual care and telemedicine, the technology doesn't need to be particularly advanced to be valuable, says Heidi Steeves, MHA, '89, a senior administrator for specialty care with Northwest Permanente, part of Kaiser Permanente. "Patients don't want to take half a day off of work to come in and see us. They see even higher value in telemedicine than a regular office visit, because they didn't have to take that time off work to see the doctor," says Steeves, adding that the value is reciprocal. As Kaiser Permanente adds members, virtual care helps it to manage physical space limitations and see more patients, as virtual care appointments often take less time than in-person visits.

KEEPING HEALTHCARE ACCESSIBLE

The healthcare system seems to have a never-ending flow of issues that technology can address. The implications for rural physician shortages are huge, especially for small towns where the hospital is not only a healthcare resource, but also the major employer.
For them, shortages go beyond physicians, extending to other specialists that a hospital absolutely needs in order to stay in business, says Mary Giannini '71, MBA '74, a healthcare lawyer who manages compliance for Medication Review, a telepharmacy company based in Spokane, Wash.

Medication Review helps hospitals of all sizes manage remote prescription order processing, but its service has proven particularly valuable for those in small, rural communities. Giannini says that many small hospitals can no longer afford to have a pharmacist available to oversee prescriptions 24/7, though they are required to — or face closure by the state. Using a computer, phone, or Skype, the system allows remote staff to review the order with a sophisticated on-premises medication disbursement system. "Frankly, today, if a little hospital didn't have the option to use telepharmacy, it might have to close, because it wouldn't have the ability to properly fill prescriptions," says Giannini.

When hospitals close, the impact on communities can be devastating. Lack of

"IF A LITTLE HOSPITAL DIDN'T HAVE THE OPTION TO USE TELEPHARMACY, IT MIGHT HAVE TO CLOSE, BECAUSE IT WOULDN'T HAVE THE ABILITY TO PROPERLY FILL PRESCRIPTIONS."

— Mary Giannini '71, MBA '74, a healthcare lawyer who manages compliance for Medication Review

Cloudbreak Health offers patients access to numerous telemedicine specialties, including telepsychiatry, telestroke, and tele-ICU, as well as to certified medical interpreters in over 250 languages with 60 available via live video — all at the touch of a button, utilizing one device. PHOTOS COURTESY OF CLOUDBREAK

BREAKING THE BARRIERS TO GREAT HEALTHCARE FOR ALL

Jamey Edwards, MBA '03, CEO of Cloudbreak Health

Patients shouldn't have to travel to assemble the best team of doctors for their particular care requirements, says Jamey Edwards, MBA '03, CEO of Los Angeles-based Cloudbreak Health. "I'm a disciple of Peter Diamandis [physician, futurist, and chairman of the X Prize Foundation], who says the world doesn't have a food shortage, just a food distribution problem. We don't necessarily have a physician shortage in this country; we just need the ability to access them where and when patients need them," Edwards says. "We need to extend care beyond the four walls of the hospital."

Cloudbreak Health is doing just that. Originally founded as Language Access Network (LAN) in 2003, the company began as a video medical interpreting pioneer with the vision of solving one of the nation's biggest healthcare disparities: how to provide quality care to low-income, limited English proficient (LEP), deaf, and hard-of-hearing patients. "It's scary enough to be in a hospital when you speak English, and it's downright terrifying if you don't," says Edwards. "Communication is the number one tool a provider has in diagnosing a patient. Imagine the inefficiency, unnecessary testing, and poor experience that can result without it."

Through its locally hosted video platform, Cloudbreak, which relaunched in its current form in 2015, offers patients the ability to quickly access a certified medical interpreter by audio in 250 languages and by video in 60 languages. And Cloudbreak has recently expanded beyond interpretation into telepsychiatry, telestroke, and tele-ICU. The company has also developed a skills-based routing platform to forward relevant requests to the right specialists who can assist.

Cloudbreak's unified telemedicine platform simplifies accessing clinical and other resources, taking a complex service and offering it in a new, more accessible way. Edwards refers to this approach as Telemedicine 3.0, for which Cloudbreak Health was awarded the 2016 Patrick Soon-Shiong Innovation Award. Nationwide, over 650 hospitals are using Cloudbreak's platform, which is handling more than 65,000 encounters per month, making it one of the leading telemedicine companies in the country.

Cloudbreak Health's experience offers a microcosm of improved technology merging with acute need. Video streaming technology has improved drastically in the past five to ten years, but for telemedicine, the quality of the signal needs to be even better. "If you lost part of the frame, you were losing part of the dialogue. So we connected over our private path broadband network," says Edwards. Despite the higher costs, hospitals continued to opt in because of the network's higher quality and security.

Edwards says the company is growing rapidly with a 50 percent year-over-year growth rate and is currently seeking Series B investment. And even though its technology inhabits a fraction of the hospitals around the country, Cloudbreak's strategy is to expand quickly over the next 18 months.

emergency care and increases in travel time, particularly for people with chronic conditions, including veterans and older people, exacerbate inequities in the system.

But telehealth is already showing signs of stemming that problem, expanding access, and reducing chronic inequities. A 2014 study by the Richard L. Roudebush VA Medical Center in Indianapolis found a 96 percent overall satisfaction rate among veterans using the center's telemedicine platform. Veterans traveled almost 800,000 fewer miles in the two-year span, saving the hospital more than $330,000 in reimbursements.

CUTTING COSTS VIA BIG DATA AND AI

Like telemedicine, big data and artificial intelligence can help improve the quality of care and deflect or reduce the frequency of patient visits. Technology can also help with diagnosis. WebMD has long been a go-to website for making a home diagnosis, but Palo Alto-based HealthTap layers on artificial intelligence and machine-learning capability to help home-based caregivers diagnose and triage many potentially serious issues. For minor problems, patients can avoid an in-person doctor visit. But when the system detects a red flag, it encourages users to seek more intensive medical tests or interventions.

Without expert assistance, patients often seek unnecessary diagnostic tests, creating a huge drain on healthcare resources. But for disorders like Alzheimer's disease, early detection is key to mitigating the disease's effects and costs. "Expert consensus suggests that without significant advances in Alzheimer's treatment, the costs of managing the ensuing dementia will eventually bankrupt Medicare," says Dennis Fortier, MBA '90, president and CEO of Medical Care Corporation (MCC), a Newport Beach, Calif.-based neuroinformatics company that develops assessments for cognition. "[Dementia] is expensive because in its early stages it inhibits your ability to manage your medications, and overall health generally suffers. In later stages, when cognition is severely impaired, a person may be institutionalized," says Fortier. That can cost $50,000 per person per year.

About 10,000 baby boomers are turning 65 every day. Many, noticing mild changes in their memory, fear the worst, and ask their doctor to evaluate them for an underlying condition like Alzheimer's. Increasingly, the doctor orders blood work, a neuropsychological battery, and an MRI of the brain, along with a neurological consult. Since early detection and timely intervention against underlying conditions can reduce costs in the long run, Medicare typically covers the total price of such a workup, around $3,000.

In a fee-for-service model, the doctor orders the tests, gets paid, and everyone is happy. But healthcare organizations focused on improving outcomes and cutting costs see such tests as unnecessary and wasteful. These organizations are motivated to fully evaluate emerging medical conditions without performing unnecessary tests on healthy patients.

For MCC, which Fortier says is a data analytics company at its core, there's a big potential payoff in helping stem waste in the healthcare system. Using a sophisticated mathematical algorithm, they've created a simple test, which Fortier says is 97 percent accurate, to help answer a very simple but important question: Is a patient with subtle memory loss experiencing normal aging, or does he or she have an underlying medical condition like Alzheimer's? Only the latter group will benefit from an expensive medical evaluation while those in the former group can put their worries to rest.

Fortier says that about half of patients expressing a memory concern to their doctor are aging normally. Among the other half, the majority will have very manageable underlying conditions such as poorly controlled diabetes or hypertension, thyroid dysfunction, depression, or a sleep disorder. Some will have a more serious condition, but all will benefit from timely detection.

> "THERE ARE ALL KINDS OF TOOLS TO MAKE IT EASIER TO DO INNOVATION AND DEVELOP NEW PRODUCTS — MATERIALS, COMPUTERIZED DESIGN SYSTEMS, CNC, 3D PRINTING. BUT THE TIDES PUSHING AGAINST INNOVATION [IN THE MEDICAL DEVICE SPACE] ARE MUCH GREATER."
>
> — Mike Berman '79, MBA '86, early-stage medical device investor

Compared to today's more typical approach, MCC's test is simpler, more scalable, and only costs $85 — less than 3 percent of the usual $3,000 bill. Fortier describes a process that sounds closer to Amazon than Aetna: "We collect the data electronically from the physician's office, transmit it to our servers for analysis, and deposit the results into the patient's record in real time," he says.

In many ways, it doesn't matter to the patient how they get the answer to a critical question — or to a specific health outcome. "It's all about the tech fading into the background," says Cloudbreak Health's Edwards. In healthcare, "the technology shouldn't be a novelty but integrated into daily practice. If we get to that point, we'll have been successful."

PRODUCT MANAGEMENT: A PIVOTAL POSITION

Some call it a "mini-CEO." To others, "chief influencer" sounds more apt. Whatever descriptor you use, the role of product manager has captured the imagination of today's MBAs.

By Merrill Douglas

When a product is a piece of technology, or when it relies on a technology foundation, it takes a special kind of person to shepherd that product through the stages of its life. It takes someone who can speak the language of engineers but also thinks like a management executive.

Such people are called product managers, and good ones can be tough to hire. Technology companies often struggle to find candidates who combine technical and cultural knowledge with business management skills, says Douglas Stayman, associate dean of Cornell Tech in New York City. "They want an MBA who not only understands technology, but understands technologists and how to use technology and has a different cultural awareness," he says.

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Cornell Tech's curriculum is designed to fill that need — for example, with its Product Studio, where technology and business students collaborate on digitally enabled products for local businesses and nonprofit organizations. In Ithaca, Johnson also produces many MBAs with the right blend of skills to step into product management roles.

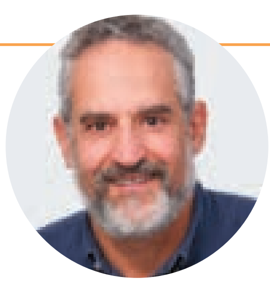
According to a March 2016 story in the *Wall Street Journal*, "product manager" at a technology firm is the new dream job among business school students.

"People want to have influence on the types of products and services that are being developed, the features they have, and the way they are meeting customer needs," observes Cynthia Saunders-Cheatham, executive director of Johnson's Career Management Center. That desire is drawing a growing number of MBAs toward careers in product management.

Simply put, a product manager takes charge of a product from conception onward. Working at the center of a multidisciplinary team — which might include colleagues from engineering, marketing, finance, operations, and other functions — the product manager oversees product design, production, promotion, improvement and, if need be, end of life.

"The product manager is the one bridging the gap. They understand the business needs and customer needs, how to translate those needs into technical requirements, and what technology assets we have to build to address them," says Yvonne Chou, MBA '07, senior manager of product management at Amazon Fashion in Seattle.

While balancing business and customer requirements, the product manager also negotiates between colleagues whose concerns are mostly technical and colleagues whose concerns focus on business imperatives. "It's someone who can steer the ship and have an eye on both sides and tries to integrate everything," says Shawn Mankad, assistant professor of operations, technology and information management at Johnson and co-director of the Digital Technology Immersion.



"Product managers really make a difference. You're a leader in developing a product that has an impact on your organization and society."

— DOUG STAYMAN, ASSOCIATE DEAN AT CORNELL TECH

Typically, a product manager works at a company that sells technology or technology-enabled products. The job evolved from what consumer packaged goods (CPG) businesses call "brand manager," a title that dates back to the 1930s, says Manoj Thomas, associate professor of marketing at Johnson. But the technology industry has given the job a couple of twists.

"The role definitions for product managers are not as clear as they are for brand managers," Thomas says. And while brand managers almost always hold MBAs, until recently tech companies have looked mainly to engineers or computer scientists to manage their products.

Today that's changing. At some companies, marketing savvy and general management skills have gained ground as key competencies for product managers, Thomas says. "Those companies might choose to staff those positions with MBAs rather than with engineers."

Or they might seek candidates who come from both worlds. Thomas's Product Marketing Insights course attracts many students who enter Johnson's one-year MBA program with technical degrees, and many of those go on to become product managers. At Cornell Tech, where the melding of technology and entrepreneurship is central to the entire curriculum, the MBA program was conceived with product management positions in mind. And in Ithaca, the Digital Technology Immersion provides strong grounding for aspiring product managers.

CLOUD, GENES, CREDIT, AND COFFEE

The new breed of product manager typically builds a background in a technical discipline and then earns an MBA. One example is Gbadebo Aderibigbe, MBA '16. With an undergraduate degree in computer science and experience as a software engineer, Aderibigbe moved from Johnson into a job as senior technical product manager at Amazon Web Services (AWS) in Seattle. His realm is the AWS Marketplace, a cloud-based marketplace where companies sell software that works with or on AWS.

Aderibige's area of focus is the customer experience — "anything that touches the customer who is looking to engage with the third-party software." That could include, for example, a customer who wants to buy software to run on a server platform called the Amazon Elastic Compute Cloud (EC2). "There, I work to continually improve the experience of purchasing and using the software that might run on a virtual server."

Biotech companies, such as Thermo Fisher Scientific, a large, multinational player in the life sciences industry, also hire product managers. Chengya Liang, MBA ’13, serves as associate director of product management for Thermo Fisher’s clinical next-generation sequencing (NGS) business at the company’s South San Francisco site. With an MD in her background, plus a PhD in biomedical sciences, Liang manages NGS immuno-oncology products, used to discover biomarkers and to stratify patients for clinical trials. She also manages a large NGS library product portfolio.

After working as a research scientist, Liang came to Cornell to pursue an MBA because she wanted to increase her potential impact. “I wanted not only to be an independent scientist, but also to be able to influence the life science and diagnostic healthcare industry on a large scale,” she says.

Part of Liang’s job is to lead a global, cross-functional team that works on new product development. “That includes the research and development, operation, quality, marketing, and commercial teams,” Liang says. She also oversees a large portfolio of existing products, develops business strategies based on market trends and needs, works with marketing and commercial teams on global launches of new products, and establishes strategic alliances with external partners, among other functions.

Like Aderibigbe and Liang, many product managers rely on their own technical expertise to inform their conversations with engineers who build and maintain products. But just as not every product manager works for a technology firm, not everyone who holds that title knows how to code. Rachel Flynn, Cornell Industrial and Labor Relations ’06, Cornell Tech MBA ’16, worked in human resources consulting before taking a product management position at American Express. From Cornell Tech, she moved into her current job as head of product at MM.LaFleur, a New York-based e-commerce fashion retailer.

Flynn’s team at MM.LaFleur works on both customer-facing products and internal platforms — the portfolio of digital tools that helps her colleagues do their jobs. Those tools range from warehouse management software to e-commerce functions that help to sell products. “One of the projects we’ll work on this year will be to make sure that when you look at products online, you see items that are in stock in your size and that are aligned to your preferences,” she says.

Although Flynn lacks an IT background, her experience in HR consulting helped to prepare her for managing products that help people do their jobs more effectively, she says.

> “You come to understand the whole business from multiple perspectives. That’s an excellent experience for somebody who aspires to lead a business in the future.”
>
> **— CHENGYA LIANG, MBA ’13, ASSOCIATE DIRECTOR OF PRODUCT MANAGEMENT AT THERMO FISHER**

BEYOND THE TECH WORLD

While the title is strongly identified with technology, financial services and retail companies also hire product managers. Andrew Goodman, MBA ’14, for example, is vice president of co-branded card product management at Citi in New York. As part of a team responsible for credit cards co-branded with Hilton, he focuses on customer service strategy.

“For any customer service issue escalations that can’t be handled at the operations center and need to come to the business, I’m the business,” Goodman says. He also runs special promotional events for Citi Hilton card members — say, a dining event at a new Hilton property — and lends support to the colleague who runs marketing campaigns that target existing customers.

Even further afield from the technology world is Deborah Philips, MBA ’14, who helps to develop premium beverages, part of the “Reserve” coffee line, for Starbucks’ new Roastery coffee bars and cafés. Philips’ current title is brand manager, but she first came to Starbucks as product manager, global innovation, at-home coffee, and single-serve.

At Starbucks, “product manager” is an entry-level position usually filled by a recent MBA, Philips says. As an employee advances to brand manager and senior brand manager, the job becomes more complex and carries more responsibility, but the focus stays much the same, she says. And the work of a brand manager at Starbucks is much like the work of product managers at tech firms.

Philips conjectures that Starbucks borrowed the product manager title from some of its tech-oriented neighbors. “It’s probably because we sit here with Microsoft and Amazon in Seattle that the title makes sense.” It’s not uncommon for marketing professionals to move among those large local employers, she says.

THE LURE OF THE ROLE

Many routes lead MBAs to product management, but often the attraction is the same: the chance to do work with tangible results.

> By partnering with engineers, I am highly involved in the problem-solving elements required to build a great product.
>
> — **MEGHAN SERVELLO, MBA '16**

Product management is a pivotal role, says Stayman. "You really make a difference. You're a leader in developing a product that has an impact on your organization and society."

In that pivotal position, a product manager gains broad experience that could lead to career advancement. "You get the strategy, the marketing. You understand the profit and loss and how things work day to day," Goodman says. "It's not often that early in one's career you can say you have exposure to almost all aspects of business management."

Such exposure — serving as the "CEO of a product" and working with a diverse, global, cross-functional team — provides a unique opportunity, says Liang. "You come to understand the whole business from multiple perspectives. That's an excellent experience for somebody who aspires to lead a business in the future.

As director of product management at Oracle Cloud Services in Redwood Shores, Calif., Deepak Kallakuri, MBA '11, oversees a $300 million portfolio of managed cloud services. That includes working with customers to learn what new features they want to see and then working internally to translate those desires into functions.

"For example, I work with engineering and the user interface designers on how the software should work and what we want the customer to see," he says. When he launches a new offering, he spends a good deal of time with sales teams at Oracle and its channel partners, talking up the product to help stimulate sales.

"I enjoy the ability to influence the product line and, by extension, the product's future revenue stream," says Kallakuri. "That sense of ownership motivates me."

For some product managers, variety is another attraction. "Every day is something different," says Meghan Servello, Cornell Tech MBA '16 and a product manager at the Brooklyn-based e-commerce company Etsy.

Like Flynn, Servello manages software tools used by employees. One tool she worked on recently helps Etsy's trust and safety team review sellers who might take part in marketing or media opportunities. But another day might find her refining tools that help the member operations team answer customer inquiries or mediate a dispute between a buyer and seller.

Servello earned a BS in computer science and learned about product management while interning at the document management company Mimeo. There, she observed that a computer science background helps product managers communicate well with engineers. "While product management does not require me to code as a primary function of my job, by partnering with engineers in this role I am still highly involved in the problem-solving elements that are required to build a great product," she says. For her, that combination of elements is a great fit.

INFLUENCE WITHOUT AUTHORITY

While a product manager's position in the center of a many-spoked wheel offers sizable rewards, it also produces a serious challenge: how to wield influence when you're not formally in charge.

"You're working with all these different people, but you don't manage anyone specifically," says Servello. "You have to understand the motivations of the customers, the stakeholders, other people on

> I enjoy the ability to influence the product line and, by extension, the product's future revenue stream. That sense of ownership motivates me."
>
> — **DEEPAK KALLAKURI, MBA '11, DIRECTOR OF PRODUCT MANAGEMENT AT ORACLE CLOUD SERVICES**

> A customer's needs continually evolve, so your understanding must as well.
>
> — DEBO ADERIBIGBE, MBA '16, SENIOR TECHNICAL PRODUCT MANAGER AT AMAZON WEB SERVICES

your team, people on parallel teams who have interests in using the same resources you do. You have to convince them that the project you're working on has impact; they should get excited about it and come work with you."

Chou also points to the complexity of working with many different stakeholders. At Amazon, her product is the customer experience in the area of the website that sells clothing, shoes, and accessories. To build features such as compelling product images and efficient search tools, she works with people who "own" the technology platforms as well as people on the business side of the house.

"Every one of the stakeholders you work with is also a customer, which is great, but it can also be a challenge to have everyone understand the different perspectives of all the customers we serve," Chou says. "Product managers lead discussions to bring together feedback from internal stakeholders and external customers. The varied opinions typically lead to great discussions that result in the best products for our customers."

When working with engineers or scientists, the product manager must take special care to champion the needs of customers who use the product, says Liang. "Our R&D scientists always have brilliant ideas, but sometimes a particular idea might not be the best fit for the specific customer segment that a product targets," she explains. "Often you are leading without authority, and leading brilliant scientists and a diversified team. To narrow down those different ideas to best fit into our customers' specific requirements can be challenging."

EFFECTIVE STRATEGIES

One secret for gaining buy-in is to get out in front of important issues. "You have so much ability to influence people if they haven't already formed an opinion," says Philips. Listening and making people feel heard are also important, she says. So is explaining the "why" behind your requests.

If Philips simply asks the Starbuck's R&D team to develop a beverage that meets certain criteria, the team might not respond well, she says. "It's better to say, 'Here's who our consumer is, here's the challenge we're trying to address, and here's the strategy we've come up with to address it. Could you create XY&Z to accomplish that?' Not only will they get more engaged in problem solving, but they might see an opportunity I didn't see."

Getting a handle on customers' needs can be a challenge as well. "No good product manager will ever claim that they have perfect understanding of their customer," Aderibigbe says. "A customer's needs continually evolve, so your understanding must as well."

At Amazon Web Services, customers range from developers and small entrepreneurs to large enterprises, all with different desires. "I have to understand how those desires translate into software goals," Aderibigbe says. "Then I brainstorm, design user experiences, and have engineering discussions with my colleagues. I try to guide product launches that simplify, innovate, and achieve those goals."

Sometimes customers can't perfectly define the improvements or experience they want, Aderibigbe says. "But they feel, or can tell you, that something is missing. It's my job to dig deeper and understand what that need actually is, so we can dedicate ourselves to meeting it."

Engaging with customers may also help a product manager gain greater influence with internal stakeholders. That's what Kallakuri found in an earlier job as product manager at the machine vision company Cognex Corporation. "I would meet with something like ten customers before I went to engineering with my requirements," he says. He found that sharing specific feedback from individual customers proved extremely persuasive. "It's hard to argue with actual data."

Bringing engineers in to talk with customers can help a product manager build trust and win support for a particular vision, Kallakuri adds, because that way "they get that feedback firsthand."

Whether the customers are external or internal, and whether the product in question is a physical item, a software solution, or a user experience, for many product managers with MBAs, the role provides the same basic satisfaction: the pleasure of seeing a product take wing.

"The most rewarding thing is when you launch a product and you get customer feedback saying, 'This is exactly what I wished I could have, or this helps me do something much better than I could before,'" says Aderibigbe. "It tells you that for all the blood, sweat, and tears you put into a product or a release, it fulfilled your mission."

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THE 1970s

CLASS OF 1976

Robert Bowsza retired April 5, 2017, from his position as CFO of Harc, an organization based in Hartford, Conn., serving people with intellectual disability and their families. Robert became CFO of Harc in 1981, and he was instrumental in managing the growth of Harc's day programs, group homes, and its move to a new location in 1995. Starting in the mid-1980s, Harc experienced double-digit growth for 14 years, essentially doubling in size every five years. "My ability to adapt, plan, and help guide this amazing organization through its phases is what I want to be remembered for," said Robert, reflecting on his legacy at Harc.

CLASS OF 1979

John Meek was named President of Branson Ultrasonics Corp. at Emerson Electric. In his new role, John is responsible for overseeing the worldwide operations of Branson, a global leader in customer-focused solutions for plastic joining, ultrasonic metal joining, and precision processing. John has 37 years of Emerson leadership experience and has been president of multiple businesses.

Nancy M. Schlichting, retired CEO of Detroit's Henry Ford Health System, delivered the keynote address, "Unconventional Leadership," at the inaugural Sloan Women in Healthcare Leadership Symposium, March 3. In her address, Nancy asked: asked, "Do we want to be disrupted or do we want to be the disruptors? Because when [health care] quality is still not where it should be, or cost is too high or the patient experience is not where it needs to be, think of how many of you might be the disruptors in the room to … figure out how you can do it better and how you can make all of those aspects of health care improve." Nancy is an alumna of the Sloan Program in Health Administration, which was part of Johnson until 1983 and has since been housed in the College of Human Ecology.

Penny Wickey and the firm she founded in 2004, Saugatuck Commercial Real Estate, were featured in the *New England Real Estate Journal:* "Company of the Month: Saugatuck Commercial Real Estate is a boutique firm committed to personal service," March 24, 2017.

THE 1980s

CLASS OF 1982

Rand Wentworth, was the featured speaker at the Middlesex [Conn.] Land Trust 2017 Annual Meeting in celebration of its 30th year and 1000th acre preserved. Rand was named president emeritus of the Land Trust Alliance after a 14-year tenure as president. Before joining the Alliance, Wentworth served as vice president and founding director of the Atlanta office of the Trust for Public Land. Before working in land conservation, he was president of a commercial real estate development company. Rand teaches at Harvard University's Kennedy School as the Louis Bacon Senior Fellow in Environmental Leadership at the Center for Public Leadership.

CLASS OF 1985

Sue Kaiden, manager for the Association for Talent Development's Career Development Community in Alexandria, Va., published *Find Your Fit: A Practical Guide to Finding a Job You'll Love*, a book written with 16 top-notch career coaches that came out in October 2016.

CLASS OF 1988

Jeffrey Kraws, co-founder and CEO of Crystal Research Associates, provider of investor-based research and corporate communications services, joined the board of Avivagen, "a corporation with a proven and commercially ready, patent-protected product intended to replace the antibiotics added to livestock feeds as growth promoters," according to a press release.

Ajay Singh, chairman of SpiceJet, hosted a group of Executive MBA students at a luncheon at the Oberoi Hotel in Gurgaon, India, in March 2017 — making this the second year he has hosted Johnson students. Ajay also spoke to the students about his experience in founding, selling, re-acquiring, and now leading SpiceJet to success.

THE 1990s

CLASS OF 1994

Devora Zack, president of Only Connect Consulting, did a webcast for the American Management Association's Women's Leadership Forum that aired May 3, titled "Networking for Women Who Hate Networking." She says the webcast attracted 2,500 participants and is now accessible in the AMA's library. "Feel free to join or share the link!"

CLASS OF 1996

Alisa Cohn, an executive coach who works with senior executives and high-potential leaders, was recognized as one of the Marshall Goldsmith 100 Coaches in April. Alisa is the executive coach for Runway, the incubator at Cornell Tech that helps post-docs commercialize their technology and build companies. She serves on the Entrepreneurship at Cornell Advisory Committee and the

LESSONS FROM THE
2008 COLLAPSE

PHOTO COURTESY OF THOMAS RUSSO

Thomas A. Russo, MBA '69, JD '69, is perhaps best known for the time he spent, in his words, "strapped into one of the lead cars during the great economic rollercoaster ride of 2008–15."

He was chief financial officer and general counsel at Lehman Brothers from 1993 through 2008, when the global financial crisis hit and the venerable 158-year-old bank was forced to declare bankruptcy after the Federal Reserve declined to rescue it.

In 2010, Russo was named executive vice president and general counsel at AIG, a company that the government did bail out, and he helped lead the successful effort to restore it to financial health while repaying the government's $182 billion loan and making a profit of $22 billion.

"Tom's resilience and ingenuity in being able to advise Lehman through the financial crisis and then to guide AIG through its post-crisis resurrection is nothing short of remarkable," says Andrew Levander, who represented Lehman Brothers in post-bankruptcy litigations and is now a partner at Dechert.

The back story: a year before Lehman's bankruptcy, Russo warned the Group of Thirty — an international consultative group on economic and monetary affairs — about a possible credit crunch that might cause a financial crisis, but his concerns weren't heeded.

In fall 2008, he told the Fed that if Lehman were forced to go under, the impact would cascade through the financial markets, affecting all investors, and the global economy would deteriorate at unprecedented levels.

Lehman's collapse certainly contributed to the global financial crisis, he says. But he praised the government for its bailout of AIG.

"[Through] my experiences at Lehman and AIG, I have seen the worst and best of government," Russo now comments. "The Fed was the only one that could take and hold those assets long enough to recognize the value. It's what it was created to do." Not doing it for Lehman worsened the crisis, he believes.

Russo's talent for the analytical aspects of economics prompted him to enroll in Cornell's business school. He chose Cornell's joint-degree program in business and law because both subjects interested him and "I thought it was a good deal," he says.

After graduating, Russo joined the Security and Exchange Commission's division of market regulation. "I had the great opportunity of learning about securities law from the inside out," he comments.

In 1971, Russo joined Cadwalader, Wickersham & Taft, where he became interested in how to regulate subsidiary markets. In 1975, he was named deputy general counsel of the Commodities Futures Trading Commission and first director of its Division of Trading and Markets.

THOMAS A. RUSSO, MBA '69, JD '69

At Johnson, he impressed Finance Professor Seymour Smidt (now late, see our tribute to him on p. 48), who later invited him back to campus as a guest speaker. "He brought complex, real-world finance issues to life," said Smidt.

In 1978, Russo returned to Cadwalader, where he eventually rose to partner, but the long hours and seven-day-a-week demands of the job left him little time for family and volunteering, so he sought other opportunities that he thought would, joining Lehman in 1993.

"To be successful in anything, you must figure out the allocation of time that brings you the greatest happiness," explains Russo, who has shared his "Ingredients for Success" work-life balance strategy with today's business students at Columbia Business School, where he is an adjunct professor.

Regarding lessons learned, Russo's book, *The 2008 Financial Crisis and Its Aftermath: Addressing the Next Debt Challenge* (with co-author Aaron Katzel, Group of Thirty publication, 2011) warns that "debt is growing, growth has been slow, and the tools we had [for averting a future monetary crisis] are diminished — and there's always a crisis," he says. Perhaps this time we should listen.

Russo now chairs the executive committee of the Institute of International Education, which administers the Fulbright Scholarship Program. He and his wife have twin daughters, now grown, and a son, Tyler Russo '18, who is a Dyson student in Cornell's SC Johnson College of Business.

— Linda Brandt Myers

President's Council of Cornell Women.

CLASS OF 1999

Marshall Chapin was named chief strategy officer at Sense, a Cambridge, Mass.-based home intelligence platform that interprets the power usage and activity of devices in the home. Marshall will lead the development of Sense's growth strategy, including collaborating with utilities to design solutions that help them improve profitability, drive customer engagement, and develop new lines to serve end consumers.

Marc Umscheid '90 was named chief strategy and marketing officer at Sonoma Pharmaceuticals in January 2017. Marc was formerly senior marketing director and business development team leader at Clorox.

CLASS OF 2000

Bill Roeschlein was named chief financial officer at Intermolecular, a company focused on advanced materials innovation. Bill was for-

CLASS NOTES

BE MY GUEST

Jay Anand, group COO of SKAI Development, at SKAI's latest project, the Viceroy Palm Jumeirah in Dubai

JAYDEEP "JAY" ANAND, MBA '05

Jay Anand attributes his remarkable record of success in business to a relentless focus on bottom-line results and a commitment to treating every customer as if each were a guest in his home.

Anand has spent over two decades managing diverse businesses, including a $100 million consumer electronics division, a Boston-based industrial gas business, and the Asia Pacific/Middle East subsidiary of a medical device manufacturer.

Today, he serves as group COO of SKAI Development, a developer of high-end luxury hotels and residences worldwide. SKAI's latest project is the Viceroy Palm Jumeirah in Dubai, a five-star, $1 billion resort built on the world's largest manmade island and featuring 477 luxury guest rooms, which opened in March 2017.

Regardless of industry, Anand takes a consistent approach toward managing the organization. "Business is all fundamentally the same," Anand says. "It's about the application of knowledge, common sense, and connecting the dots. I am very clear that the goal of any enterprise I run is to increase shareholder wealth. I am focused on the bottom line and always have EBITDA [earnings before interest, taxes, depreciation, and amortization] at the core of my decision making."

Anand counts the Sanskrit saying, "atithi devo bhava," which means "my guest is my lord," as a core tenet of his business philosophy. "The word 'guest' can be interpreted as 'customer,'" Anand says. "If you treat your customers well, there's no way you can lose."

He also believes that a successful leader chooses to be the "man in the arena," willing to make quick, difficult, and at times unpopular decisions for the betterment of the organization. "You can't be a spectator, and you can't be afraid of making a decision, whether it's servicing the customer or looking at cost cutting," Anand says.

Anand cites this willingness to lead as the key to opening the Viceroy Palm Jumeirah hotel ahead of schedule. "A project of this size in this part of the world is usually delivered a year late, if not more. We worked under enormous pressure, with the same contractors as everyone else, but took a top-down approach and held people accountable for getting the job done."

Anand credits his Johnson Executive MBA experience with helping him refine his approach to business. "The curriculum was very well tailored for folks like me, with about a decade of experience. It was very humbling to sit in a class with such distinguished students and teachers."

Anand's next project is the Viceroy Dubai Jumeirah Village, which will include 254 serviced apartments with their own private sky garden and 247 hotel guest rooms in 60-story circular hotel. The property, which has already won 16 awards for innovative design, is projected to open in 2018.

Married with a daughter and twin boys, Anand enjoys yoga, diving, and driving his prized Ferrari around Dubai.

— Ted Goldwyn '90

PHOTO COURTESY OF JAYDEEP ANAND

merly the company's vice president of finance and corporate controller.

THE 2000s

CLASS OF 2001

Kim Stevenson joined Lenovo May 1, 2017, as senior vice president and general manager for Data Center Infrastructure, a group responsible for shaping the company's portfolio of server, storage, and networking products and solutions. Kim was formerly at Intel, a company she joined in 2009, where she served as chief information officer, then chief operating officer, Client, IoT and System Architecture Group.

Peter Zilper, vice president, operational excellence and food and beverage, Aramark Sports and Entertainment, was featured in a Q&A that was the cover story for *In the Mix*, a beverage magazine, March 20, 2017. "We serve more than 200 premier stadiums, arenas, convention centers, and concert venues," he says in the interview. "I have a background in operations, culinary, marketing, R&D, consumer insights, brand, sales, and innovation. Those experiences serve as a foundation for how I approach our food and beverage efforts."

CLASS OF 2003

Jamey Edwards and **Dan Shur '94**, both **MBA '03**, announced that their company, Cloudbreak Health, won the Patrick Soon-Shiong Innovation Award for its work in developing one of the nation's first unified telemedicine platforms that helps to create health equity through reducing healthcare disparities related to race, gender, ethnicity, or geography.

Judit Hegedus Nyirady, MD, joined LEO Pharma as vice president of medical strategy and scientific affairs in May 2017. In addition to medical and scientific affairs strategies in the United States, she is responsible for U.S. quality, pharmacovigilance, drug safety, and medical information functions.

CLASS OF 2004

Larry Meese was named CEO of Lane Regional Medical Center in Zachary, La. Meese was formerly CEO of Jackson Hospital in Marianna, Fla.

CLASS OF 2006

Patrick Barry was named senior vice president, U.S. Branded Pharmaceuticals, at Endo International, where he is responsible for all commercial activities for U.S. Branded Pharmaceuticals, including strategy, new product planning, marketing, and sales.

CLASS OF 2009

Ayall Schanzer is a principal broker heading up the Greiner-Maltz Real Estate offices in Westchester, Conn., and the Bronx. Ayall was formerly CEO of Friedland Realty.

THE 2010s

CLASS OF 2010

Rafael Lopez de Azua was named head of media and digital, Latin America, for Coty, a global beauty company whose brands include Cover Girl, Sally Hansen, Wella, and more. "After graduating, I joined P&G in Cincinnati, where I launched Oral-B toothpaste in India, Australia, Western Europe, and Latin America," writes Rafael. "I was then transferred to Miami to manage fragrances in Latin America. The fragrances division was acquired by Coty. I am enjoying 80-degree winters in Miami with my wife, Rebeca (Ithaca College '00), and kids, Sofia, 10, and Gabriel, 9."

Kanchan Daswani and her brother, **Vik Daswani, MBA '13,** have launched a startup, Suit Club, in New York City. It is a spinoff of parent company Elegant Rochees, "a leader in custom-tailored menswear since 1969" founded by their father in partnership with his brother. According to the website, Suit Club specializes in "providing men's luxury bespoke suits, shirts, blazers, and slacks, meticulously tailored to fit perfectly by using your exact body measurements."

CLASS OF 2011

Rebecca Van Sickle and **Fergus Caldicott** write that they "are ecstatic to announce the arrival of their daughter, Suzanne Welcome Caldicott, in Portland, Ore. Suzy arrived on March 30 and joins proud big sisters McKenzie and Annika."

CLASS OF 2012

Alessandro A. E. Anzani, joined global venture investment fund Network Society Ventures (NSV), as a general partner in January 2017. NSV is a seed-stage global venture investment

A CAREER IN FIVE ACTS

PHOTO COURTESY OF GRACE HAN WOLF

GRACE HAN WOLF '86, MBA '91

Grace Han Wolf's professional career has included five distinct phases. "I tend to reinvent myself about every decade," Wolf says. "I tell young people you can't be afraid of taking risks."

Wolf worked on Wall Street prior to earning her Johnson MBA, then spent much of the 1990s in corporate finance and management consulting roles with firms including Dun & Bradstreet, IBM, and Deloitte & Touche.

Beginning in 2003, Wolf bought and ultimately sold a portfolio of small businesses, including two GNC stores and a Clay Café franchise. With a child in daycare, the flexible work schedule was a major draw of business ownership. Wolf was also able to apply skills she learned at Johnson and in the corporate world at a very practical level.

"We don't do a very good job of teaching basic business tenets to everyday business owners," Wolf says. "Consequently, many of them fail. I count my business school background, as well as my experience in finance, as keys to my success in running profitable businesses."

Wolf is now laser focused on her "public service decade," dedicating her time to elected office and nonprofit work. She has served as a member of the Herndon (Va.) Town Council since 2010, the first Korean American woman elected to office in Virginia. Governor Terry McAuliffe appointed Wolf to a five-year term on the Virginia Commission for the Arts, and she was named one of "The Influential Women of Virginia" by Virginia Lawyers Media.

"One of the most important responsibilities of the job is to represent communities that simply don't feel represented," Wolf says. "[My role is] a great source of pride for the local Korean American community here in Fairfax County."

In the nonprofit realm, Wolf works part time as executive assistant to the vice president of philanthropy at the National Wildlife Federation, America's oldest conservation organization. She is also a founder of the Jade Philanthropy Society, an organization "committed to raising the profile of Asian Americans in philanthropy."

Wolf lives in Herndon with her husband. Their daughter recently completed her sophomore year at the College of William & Mary.

— Ted Goldwyn '90

fund investing in disruptive technology-based companies. “I am honored to contribute to the success of Network Society Ventures. NSV’s proprietary knowledge, its investment focus, and its investment strategy make it the perfect fit to reap the value from the current economic, social, political, and industrial trend: the shift toward global sharing, digital socialism, and network societies,” said Alessandro in a press release about his appointment, which also noted his “18 years of experience as an entrepreneur, board member, and fund manager managing +$2B transactions.”

Lani Shufelt was appointed general manager and chief operating officer at the Chanler at Cliff Walk in Newport, R.I., a former mansion with ties to the John Jacob Astor family that Lani’s father and his wife renovated and opened as an upscale hotel in 2003. Lani and the Chanler were featured in an article in the *Hotel Business Review*, March 22, 2017.

CLASS OF 2014

Cecilia He, a finance manager at Expedia in Chicago, writes that her first business book, focused on the impact of the Internet on the global fashion industry, officially sold out its first edition of 5,000 volumes. “The book was published by Publishing House of Electronics Industry, a leading publishing house in Asia, in August 2016,” Cecilia writes. “I am very grateful that the dean of the SC Johnson College of Business, Soumitra Dutta, endorsed my work. The book is in Mandarin Chinese [and] I plan to translate it into English when I retire, which is in 70 years. Go Johnson!”

CLASS OF 2015

John Hui, co-founder and executive vice president of healthcare IT startup Twiage, reports that Twiage won Matter’s Observation Unit Challenge for proposing a solution to improve

the throughput and patient satisfaction at hospital observation care units. In its presentation to the judges, Twiage showcased its real-time alert solution that facilitates timely documentation. Matter is a Chicago-based health technology startup hub.

CLASS OF 2016

Jenny Ge is an associate with Davis Polk & Wardwell LLP in New York City.

A VOICE FOR

DIVERSITY

PHOTO COURTESY OF SANDRA PERSING

SANDRA PERSING, MBA ’10

Sandra Persing fights as a champion for diversity, inclusion, and advancement in the web developer community.

Persing is the senior program manager for developer relations at Mozilla, the internet nonprofit and Firefox browser creator. In her role, Persing connects developers, designers, and web creators with Mozilla technology through engagement platforms that encourage the community to showcase their own resources and ideas, creating a collaborative tech ecosystem.

Persing takes a startup approach to the role. “I actually own it and run it like my own business,” she says. “I’m a team of one, but I pull in resources from throughout the Mozilla community.” This includes working with Mozilla’s public relations staff and engineering teams as well as booking conference venues and keynote speakers.

Persing has in the past produced large events like Mozilla’s annual View Source conference, which attracts more than 400 industry leaders, but today she focuses on smaller, more intimate events. “For 2017, I proposed to our chief marketing officer that we get back to our roots by going to where the developers are. We are focused on smaller cities, as well as [on] women in technology and the LBGTQ community.”

To this end, Persing is busy coordinating the Mozilla Developer Roadshow, a year-long tour of 40 cities worldwide. The roadshow is visiting not only major metro centers such as San Francisco, London, and Barcelona, but also smaller technology hubs like Columbus, Ohio, and Tulsa, Okla.

Persing has no shortage of experience in reaching out to smaller and marginalized developer constituencies. She is the co-executive director of the Seattle chapter of Women Who Code, a global nonprofit dedicated to inspiring women to excel in technology careers. “I believe we need women leaders, and we need to promote women in technology,” says Persing, who lives both in Pacifica, Calif., and in Vancouver, Wash. “Our mission is to get a million women to code.”

Her latest passion project is the DevRel Summit, a one-day “unconference” scheduled for August 11, 2017, in Seattle. As a co-founder of the event, Persing’s goal is to encourage developer relations professionals to share best practices and fresh ideas.

Persing credits her Cornell MBA with cultivating an appreciation for the value of community. “My passion for open source came from Johnson,” she says. “Among all major business schools, Johnson has the reputation of being the most collaborative community. I’ve carried that approach into my work.”

Recently married in Hawaii, Persing loves to surf near her home in Pacifica.

— Ted Goldwyn ’90

A JOURNEY
TO THE EAST AND BACK

In a subtle but powerful way, Morgan Jones was exposed to Chinese culture even before he went to school. He was enthralled by "Journey to the West," a popular Chinese TV show that aired on American television. The series was subtitled but ran completely in Mandarin, and Jones, then four years old, would mimic the language he did not yet understand. Now fluent in Chinese, today Jones serves as the chief operating officer of the US-China Strong Foundation, a nonprofit organization that fosters educational, cultural, and economic relations between the two largest economies in the world.

US-China Strong was previously named the 100,000 Strong Foundation, referring to its goal of sending a hundred thousand Americans to study abroad in China — a goal the organization met in 2014. Today, Jones and his team have their eyes set on even more ambitious targets. Together with sending undergraduate and graduate students to China and creating an alumni network of young scholars and professionals, they want a million domestic American students from kindergarten through high school to learn Chinese. The program, 1 Million Strong, kicked off with a joint announcement by then-President Barack Obama and President Xi Jinping during the latter's visit to the United States in 2015.

The foundation's focus on language is strategic. "A lot of people think Chinese is hard," Jones says. At the same time, "A lot of business people want to work in China but lack that language component," he remarks. Yet in order to successfully engage China, he explains, "You have to start with understanding Chinese culture, and one of the basic ways to start understanding Chinese culture is to learn the Chinese language."

Dedicated to growing the next generation of leaders who have a deeper understanding of China, 1 Million Strong incorporates three major directives. First, US-China Strong works with educational organizations, on both state and federal levels, to help schools throughout the U.S. incorporate Mandarin into their curricula. Second, the teacher training program aims to train educators to enable them to provide better educational opportunities for language learners. Third, the tech component explores how technology can make Mandarin language learning accessible for students across the country — particularly those in rural or underserved areas — and how social media and other digital tools can amplify and expand the organization's aims.

On all three fronts, US-China Strong works with a diverse group of implementation partners — public and private organizations that cooperate and coordinate their efforts.

After graduating from Middlebury in 2004, where he studied Chinese, Jones lived and worked in China. While there, he witnessed the rapid growth and expansion of China's economy, and in his free time he taught business English to students at Nanjing University. After returning to New York City, he worked under then-Mayor Michael Bloomberg in New York's Community Affairs Unit, where he first became interested in public-private partnerships. Gradually his

PHOTO COURTESY OF MORGAN ALEXANDER JONES

MORGAN ALEXANDER JONES, MBA '15

interests in public-private partnerships and in business and economics converged: "I realized the importance of speaking the language of business, and I wanted to leverage that to help public industries perform better, have more funding, and impact a wide array of people," Jones says.

That realization led him to consider getting an MBA degree. At Johnson, he sought to combine his MBA training with his strong interest in China. Luckily, Johnson turned out to be the right place to do that. There, Jones met peers from a diverse array of industries who shared his interest in China and had worked on China-related projects in their academic and professional lives. Jones credits classes he took at Johnson, especially those in negotiations and finance, for preparing him for his current role at US-China Strong. "While at Cornell, I was able to learn a lot from my classmates and share what I know about this different culture and this growing and changing economy that is China," he says.

As the COO of US-China Strong, Jones combines his MBA training with a deep knowledge of Chinese culture to oversee all parts of the organization's activities, work with strategic partners in both China and the United States, and make sure that the nonprofit's vision is effectively communicated to the general public.

Looking ahead, Jones expressed optimism in the future of U.S.-China relations. The Chinese American community is growing fast. Cultural and economic ties, even in a relatively unstable geopolitical environment, are bound to deepen. Jones envisions US-China Strong as an integral part of that process. "It is all about bridging that gap between two of the most important and impactful economies today."

— Giorgi Tsintsadze '17

IN memoriam

Donald Bryk, MBA '55

John R. Clark Sr., MBA '72

FAREWELL TO SEYMOUR 'SY' SMIDT, EXPERT IN CORPORATE FINANCE

By Susan Kelley

Seymour "Sy" Smidt, the Nicholas H. Noyes Professor Emeritus of Economics and Finance, died May 16 at Hospicare in Ithaca. He was 88.

An internationally recognized expert in corporate finance, managerial economics and market microstructure, Smidt wrote or co-wrote 45 books and articles, including textbooks on capital budgeting, corporate finance, and statistical decision theory. He also conducted research on the stock market, commodity futures markets, and electric-rate regulation. He was associate director of the Securities and Exchange Commission's Institutional Investor Study. During 1993–94, he served as founding dean of the School of Business at Koç University in Istanbul, Turkey.

He is best known as co-author of *The Capital Budgeting Decision*, co-written with Harold Bierman Jr., distinguished professor of management emeritus and professor emeritus of finance. The two scholars met in 1956 as assistant professors with offices on the top floor of McGraw Hall. The book did not come easily, Bierman remembered.

"Sy did not approve of my naive, faulty reasoning. I could not understand his written logical and sophisticated reasoning," Bierman said. "On the other hand, there was always good humor and respect. The foundation of a lifelong friendship was formed. If there is life after death, then Sy is being rewarded for a life lived well."

The Capital Budgeting Decision, now in its ninth edition, has been translated into nine languages. "This book truly defined and shaped the field of investments and capital budgeting," said Mark Nelson, the Anne and Elmer Lindseth Dean of Johnson. "Sy was a longtime and beloved member of the Johnson and Cornell communities, and his influence and impact will live on."

Robert J. Swieringa, professor emeritus of accounting and Anne and Elmer Lindseth Dean Emeritus of Johnson, remembers that faculty members with diverse backgrounds — economics, finance, behavioral science, accounting, marketing, and operations — would often gather for lunch in Malott Hall in the mid-1970s, and that Smidt was an important member of these gatherings, where discussions often focused on faculty research, including puzzles or challenges they were experiencing. "Sy's diverse background and inquisitive nature reflected interests that were developed and nurtured at the University of Chicago," Swieringa said.

Smidt earned a bachelor's degree in liberal arts, and master's and doctoral degrees in economics, all from the University of Chicago. After two years in the U.S. Army, he joined Cornell's faculty as an assistant professor in 1956. He was promoted to associate professor in 1959, to professor in 1965, and became the Nicholas H. Noyes Professor of Economics and Finance in 1978. Smidt retired from Cornell in 2005.

He was always intellectually curious, passionate about his research, and generous in his willingness to help others with their research efforts, said Maureen O'Hara, the Robert W. Purcell Professor of Finance. When O'Hara was a new faculty member at Johnson, Smidt encouraged her to research the structure of securities markets, an area he and a few others had pioneered. "That great advice helped me build a career," she said. "He remained throughout his long career a resource for his colleagues, a mentor for his doctoral students, and a great friend for the Johnson community."

At left, **Sy Smidt**, the Nicholas H. Noyes Professor Emeritus of Economics and Finance, shares a laugh with Harold Bierman Jr., distinguished professor emeritus of management and finance, at Bierman's retirement party in June 2015.

"Sy was a longtime and beloved member of the Johnson and Cornell communities, and his influence and impact will live on."

– DEAN MARK NELSON

One of Smidt's many doctoral advisees, Scott Stewart, MBA '83, PhD '85, clinical professor of finance and accounting at Johnson, remembers Smidt as a talented empiricist with a keen interest in technology and an appreciation for the value of hard work. Smidt was instrumental in maintaining and building Johnson's culture, which encourages professors to promote very high standards and give students strong support, Stewart said. "He helped me hone my research techniques and showed me new ways to think through the theoretical side of a problem. The opportunity to study with Sy Smidt was a great gift."

A description of Smidt's contributions at Johnson can be found in a Sage Hall seminar room named in his honor by former students, colleagues, and friends. The plaque there reads, in part, "Seymour (Sy) Smidt ... whose dedication and achievements for nearly a half-century of service to the Johnson School have inspired students, faculty, colleagues, and friends."

This story was originally published in the Cornell Chronicle, May 23, 2017.

BEFORE POWERPOINT

"Slide decks" for overhead projectors had an entirely different look and feel — and were a lot more cumbersome to create — before PowerPoint. Johnson students are preparing their slides for a presentation using an overhead projector in this photo taken January 4, 1994.

PHOTO CREDIT: CHRIS HILDRETH

If you can identify the students pictured in the photo, email us to let us know!

enterprise@johnson.cornell.edu

BACK COVER PHOTO CREDIT: JESSE WINTER

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SAGE HALL IN THE SUMMER