

JOHNSON AT CORNELL UNIVERSITY

THE TRANSFORMATIVE POWER OF BLOCKCHAIN

CIOs Move
to Center Stage

Sports &
Leadership

Zhu Shen's Journey:
How Recovery from
Loss Transformed
Her Life

Cyrus Taraporevala, MBA '90
PRESIDENT AND CEO,
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TRANSFORMATION — THE FLIP SIDE OF DISRUPTION

Today's business leaders must learn to manage change through multiple disruptions as the digital economy continues to mature and offer new challenges and opportunities. Blockchain technology, cryptocurrencies, AI, a fluid regulatory environment (including changing tariff structures and trade agreements), and climate change — all of these are requiring changes in organizations, work roles, and practices. By being flexible and nimble, successful leaders can find ways to take advantage of new opportunities, work through disruption, and embrace transformative change.

Blockchain technology is poised to bring about change at an unprecedented scale, and as Drew Pascarella, MBA '01, Rempé Wilson Distinguished Lecturer and senior lecturer of finance, points out in "The Transformative Power of Blockchain" (p. 22), business schools will play a role in blockchain's growth: "The purpose of a business education — in addition providing a foundation of business acumen — is to empower students and help them develop a fluency in new technologies and trends." Drew, who is faculty director of Johnson's new Cornell Tech-based Fintech Intensive, also notes that "smart contracts are among the most immediately applicable and interesting use cases" for blockchain. In the same story, several Johnson alumni discuss how they are using blockchain and smart contracts in their businesses.

In Thought Leadership (p. 9), Professors Andrew Karolyi and Robert Bloomfield describe disrupting and transforming an academic tradition by introducing a new research protocol, known as registered reports, to accounting and finance journals. Early results show increased research integrity, new approaches to research, and new areas of research — especially among younger scholars.

As technology transforms our workplaces, CIOs' expertise and perspective have become central to strategy and decision making. Howard Spira '85, MBA '86, senior vice president and CIO of the Export-Import Bank of the United States, is one of several alumni who talk about how their roles have evolved in "CIOs Move to Center Stage" (p. 17).

Managing teams through disruption requires deft leadership. In "Sports and Leadership" (p. 29), Liz Mygatt, MBA '11, an associate principal at McKinsey & Company who has competed internationally in double and quadruple sculls, is one of several alumni who speak about key leadership skills they learned as athletes and now apply in their professional careers — including building collaborative teams and knowing when and how to pivot.

Our profile in leadership features Cyrus Taraporevala, MBA '90, president and CEO of State Street Global Advisors (p. 34), who



refers to his firm as a "pioneer in active management, indexing, and ETFs." Cyrus highlights that the ever-changing landscape and new developments in asset management means "we can never be satisfied with the status quo."

Several additional stories in this issue address various aspects of disruption and transformation. Zhu Shen, MBA '98, describes a pivot when disruption took over her personal and professional life (p. 38). Achenyo Idachaba-Obaro, MBA '98, made lemons into lemonade, so to speak, in building a business around invasive water hyacinths in Nigeria (p. 16). And in her new book, *Purposeful*, Jennifer Dulski '93, MBA '99, shows how to spark change in the face of disruption (p. 8).

In this issue we also introduce a new Alumni News section (p. 40), which highlights the distinguished alumni who were honored at the Big Red Bash in April and includes a story about the Johnson Club of China, which has seen tremendous growth since it was founded by Geoffrey Lim, MBA '00, in 2008. I was delighted to congratulate the club leaders in person when I attended their 10th anniversary celebration in Beijing in July.

As I write this, classes are ongoing for our new classes of Executive MBAs and well underway here in Ithaca for our One-Year MBA and Johnson Cornell Tech MBA students. We look forward to welcoming new and returning students in Ithaca, in Beijing, and at the Tata Innovation Center at Cornell Tech soon. I know the 2018–19 academic year will be filled with new achievements and stories about our school, our students, our faculty, and you, our graduates. Stay in touch and stay tuned!

Mark W. Nelson
Anne and Elmer Lindseth Dean

CIOs MOVE TO CENTER STAGE

Today, IT is essential to the success of practically every organization — and so is the CIO.

[By Merrill Douglas]

THE TRANSFORMATIVE POWER OF BLOCKCHAIN

Cryptocurrencies aside, blockchain technology and the smart contracts built on it are set to transform a host of industries beyond finance.

[By Maria Minsker '13]

SPORTS & LEADERSHIP

Lessons learned in sports have helped Johnson graduates succeed in the business world. Here's how.

[By Eleanor Frankel]



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SUMMER 2018 VOL. 32, NO. 2

Cornell Enterprise is published twice a year by the Samuel Curtis Johnson Graduate School of Management at Cornell University.

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www.johnson.cornell.edu/enterprise

©2018 Johnson at Cornell University
ISSN 0741 6989

PrintReleaf certifies that the Cornell SC Johnson College of Business has offset the paper consumed to print this issue of *Cornell Enterprise* by reforesting 94.20 standard trees at its U.S. reforestation project.

ARTIFICIAL INTELLIGENCE IS KEY TO BECOMING AN INDUSTRY OUTLIER

AI, now in its infancy, will change the way we work and live in myriad ways. Businesses that embrace it, says Lenovo's Kimberly Stevenson, will thrive.

[by Michael Graff]

Sometimes Kimberly Stevenson, MBA '01, has a hard time convincing people that artificial intelligence (AI) already plays a role in their lives. Other times, she just visits her hair salon.

"Alexa!" a stylist will say after adding color to a customer's hair. "Set a 30-minute timer."

The stylists don't think about it now. But Stevenson, senior vice president and general manager for data center infrastructure at technology giant Lenovo, notices every time.

"If she saves three minutes for eight haircuts, she can get one more haircut in during the day," Stevenson said in her presentation, "Digital Transformation and the Rapid Change Associated with AI," delivered at the annual Johnson Club of Charlotte Predictions event on March 19.

Speaking on the 41st floor of One Wells Fargo Center, high among the skyscrapers in Charlotte, N.C., Stevenson made a convincing case that businesses that embrace AI will leap ahead of those that don't. By 2030, she said, AI will add \$15.7 trillion to the world's GDP. It will provide a 35 percent boost to U.S. labor by 2035, in large part because of little things like the three minutes her hairdresser saves here and there.

"If we're in a movie you have to say we're in the opening credits," she said. "Those who figure out how to embrace this change will be

Kim Stevenson, MBA '01, senior vice president and general manager for data center infrastructure at Lenovo

the winners in every industry. And those that are resistant because they feel like it's a risk — and it is a risk — are going to suffer in a very painful way."

Envisioning the future

Few people spend as much time considering the future as Stevenson. She's been a vice president or executive for technology companies for more than 30 years: Before Lenovo, she was CIO and a COO at Intel, and before that she was vice president at what was known as EDS, now DXC Technology.

She took the job with Lenovo in 2017 and moved to Morrisville, N.C., home of one of two company headquarters (the other is in Beijing). She couldn't unpack without

**"Those who figure out how to embrace AI
will be the winners in every industry."**

— KIM STEVENSON, MBA '01

“By 2030, AI will add \$15.7 trillion to the world’s GDP. By 2035, it will provide a 35 percent boost to U.S. labor.”

© SHUTTERSTOCK

thinking about AI: As a handyman measured a room to install a chandelier, Stevenson thought of a pair of glasses being developed that could show him the exact center point within seconds.

She has countless other examples of things we’ll soon see. A company in California is making security guard robots that zing around parking garages at 18 mph. In China, elderly people have robots that resemble dogs and act as comfort companions. Here in the United States, Ford is using

its wealth of data about driving habits to develop a prototype of a crib that mimics the motion of a moving car.

“Would you ever think Ford was in the baby crib business?” Stevenson said. “But they know a lot about how people behave inside their cars.”

If you’re worried about robots taking over, though, fear not ... for now, at least. She says we’re 50 to 100 years from developing computers that can surpass human intelligence. The problem isn’t that we don’t have

the technology; it’s that we don’t understand enough about the human brain and why certain emotions are triggered.

Even today, Stevenson will find herself on the phone with a call center, and if she asks a question the chatbot hasn’t been programmed to answer, one of the world’s top technology executives does what any of us would do: She raises her voice a bit and says, “I want to talk to a human!”

WHY GOOD PEOPLE DO BAD THINGS

The Billionaire’s Apprentice author Anita Raghavan explores motivations behind insider trading cases

[By Jay Wroldstad]

Greed is not good. In fact, succumbing to its temptations can lead otherwise upstanding Wall Street executives — people with impeccable credentials — to disgrace and incarceration.

Journalist and author Anita Raghavan provided proof of that proposition in her Day Family Ethics Lecture, “Why Good People Do Bad Things,” based on her book documenting the downfall of two South

Asian business luminaries convicted of multiple counts of securities fraud a decade ago. In her research for *The Billionaire’s Apprentice: The Rise of the Indian-American Elite and the Fall of the Galleon Hedge Fund*, Raghavan monitored the insider trading trials of Raj Rajaratnam, Galleon Group hedge fund founder, and Rajat Gupta, head of consulting giant McKinsey & Company and Goldman Sachs board member.

A writer for the *New York Times* as well as *Barron’s*, Raghavan was the European Bureau Chief for *Forbes* magazine and, before that, worked as a reporter at the *Wall Street Journal* for nearly 17 years. Her lecture, delivered April 10 at Sage Hall, was a joint presentation of the Samuel Curtis Johnson Graduate School of Management and the Cornell Law School.

The trials Raghavan recounted revealed

that Rajaratnam received insider tips from Gupta and used this advantage to make millions of dollars trading shares. In the end, Rajaratnam received an 11-year sentence, the longest in American insider trading history, while Gupta got two years.

Iago and Othello

In her talk, Raghavan suggested that Gupta, who consistently toed the line in ascending the corporate ladder at McKinsey, was swayed to break the law when confronted by the wealth and power that typify investment moguls on Wall Street. That included Rajaratnam, a billionaire with a reputation as a “rogue,” said Raghavan, likening him to Iago, the conniving ensign in Shakespeare’s *Othello*. Gupta, she said, would be Othello, the play’s tragic hero.

“Raj relished the image of the ‘bad boy,’” she said. He pushed the boundaries, convincing authorities in New York City that he was kosher to get approval for two kitchens in an apartment expansion. “He could not help but lie, even lying about his living arrangements at an exclusive school in England as he was being sentenced for his crimes,” she said, noting Rajaratnam’s claim he had lived in the same Dulwich College room that once housed English author and humorist P.G. Wodehouse.

Gupta, by contrast, was an icon in the Indian community. A graduate of Delhi’s Indian Institute of Technology and a well-respected philanthropist, Gupta was “a law-abiding citizen for decades,” Raghavan said. “There was no sign of unethical behavior as he rose to become chief executive of McKinsey. Yet he later divulged company secrets to help a friend.”

Crossing the line: a cost-benefit analysis

Raghavan suggested that Gupta, when presented with the possibility of committing

Journalist, author, and Day Family Ethics Lecturer **Anita Raghavan** drew on noteworthy insider trading trials to examine “Why Good People Do Bad Things.”

a crime, did a cost-benefit analysis of insider trading. “There was the cost of getting caught and arrested, but maybe he felt complacent at a time when there had not been any prosecutions for such crimes in 15 years,” she said. “The reward was a closer relationship with Raj; that was potentially very lucrative in that he would obtain a bigger stake in the Galleon hedge fund.”

Another possible justification for Gupta’s behavior is that he considered insider trading to be a victimless crime, Raghavan said, making it an easy line to cross. Still, she said, he had to know that passing insider information violated his fiduciary duties and that he had to protect that information.

Raghavan suggests that the seed was sown for Gupta’s decision to commit securities fraud when he moved to New York City in 1990 after living in less glamorous locations. “His peer group changed when he moved to New York City; he ran in different circles, surrounded by people with more influence and more money than he had,” she said. “He got to know Raj, who was very wealthy, street smart, and more comfortable crossing the line with illegal behavior.”

Gupta began to be driven by money; he had earned a fortune and wanted to start spending it, Raghavan said. “He began placing more emphasis on material things, became enamored with corporate jet travel and moving in circles occupied by the rich and famous, and was dropping names with grandiose ambitions to burnish his image.” Charitable giving was also a key interest. “He would love to have been able to plop down \$100 million for his favorite charity,” she said.

During the Q&A following her lecture, an audience member asked Raghavan if she had any advice about how middle managers could deter unethical behavior. “Company leaders set the tone with what they say and do,” Raghavan said. “It’s a remarkable opportunity to send the right message to employees. For middle managers, success depends on highly productive employees, which can lead to the enabling of bad behavior. With the proper language and initiatives, they encourage people to do the right thing.”

A MODEL TO PROTECT PRIVACY



Sachin Gupta

Sachin Gupta, Henrietta Johnson Louis Professor of Marketing at Johnson, co-authored a *Harvard Business Review* article on protecting customer data, “Protecting customers’ privacy requires more than anonymizing their data” (June 1). “Today, good marketing relies on having detailed and accurate customer data,” the

article begins, and goes on to raise the “trillion-dollar question ... whether it is possible for businesses to reap the promised benefits of data-driven marketing while maintaining the privacy of customers’ data.” The article describes a synthetic data approach that public agencies like the U.S. Census Bureau employ to protect data, and points to a statistical model based on the authors’ research that “can be used to convert original marketing data to synthetic data for the protection of consumers.”

TECH CAREERS RISING



Cynthia Saunders-Cheatham

Cynthia Saunders-Cheatham, assistant dean for career management for the Cornell SC Johnson College of Business, explains why increasingly more employers want MBAs with data analytics skills in a Business Because article, “Banking, big data analytics & the latest MBA jobs trends at Johnson at Cornell” (May 30). “We ... see

a strong interest in analytics, the ability to analyze data coming from different sources and to tell a story or make business decisions with the data,” says Saunders-Cheatham in the article. “Skills like SQL, Tableau, and even some computer programming like Python, are desirable.” Saunders-Cheatham also notes “a corresponding uptick of student interest in tech” at Johnson.

INEQUALITY, POTHOLES, AND HAPPINESS



Robert H. Frank

In a *Washington Post* article, **Robert H. Frank**, Henrietta Johnson Louis Professor of Management and professor of economics at Johnson, contributes his views on two issues confronting the nation: income inequality and crumbling infrastructure. In the article, “How 12 experts would end inequality if they ran America” (April 7), he proposes a “mutually reinforcing” approach. “Raising taxes on the nation’s top earners is the only feasible way to pay” for the \$4.5 trillion+ tab it would take to “bring our existing stock of infrastructure into serviceable

condition by 2025,” he says. At the same time, infrastructure investment “would also reduce inequality by boosting the incomes of those further down the income ladder.” Frank concludes with an invitation to “consider the following thought experiment: Rich car enthusiasts in World A, which has low taxes, can afford to buy \$300,000 Ferraris but must drive them on roads riddled with foot-deep potholes. Their counterparts in World B, which has higher taxes, can afford only \$150,000 Porsches, which they drive on roads maintained to a high standard. In which of these worlds would rich motorists be happier?”

MAUREEN O'HARA EARNS BERNSTEIN AWARD



Maureen O'Hara

Maureen O'Hara, the Robert W. Purcell Professor of Finance and professor of economics at Johnson, was honored with the Peter L. Bernstein Award for a paper she co-authored, “Footprints on a Blockchain: Trading and Information Leakage in Distributed Ledgers,” published in *II Journals' The Journal of Trading* (summer 2017). A

Business Wire article announcing the honor, “Winner Chosen for the II Journals Peter L. Bernstein Award” (June 8), notes: “The authors show how the lack of time priority in the period between the publication of a transaction and its validation in the blockchain can leak information and enable front-running and manipulation. They propose a solution based on breaking information about a transaction into two communications.” The Peter L. Bernstein Award honors extraordinary and compelling research published in any of II Journals’ 11 market-leading publications over the previous 12 months.

RECIPE FOR HEALTHY SHOPPING



Manoj Thomas

Manoj Thomas, Breazzano Family Term Professor of Management and professor of marketing at Johnson, comments on Amazon Go and its growing influence on the future of retail in a *Chicago Tribune* article, “Amazon Go has shown us the future of retail — and in it, we’re broke and unhealthy. Here’s the fix.” (Jan. 24).

Amazon Go is described in the article as “the online retailer’s technology that lets shoppers grab what they want and leave without paying a cashier.” Thomas notes in the story that “Based on data, we know that when people use any abstract form of payment, they spend more. And the types of products they choose changes too.” The solution he offers is simple: “Research has shown that when you shop with a list, you spend less and make better choices,” says Thomas, “Just make a shopping list.”

PURPOSEFUL CHALLENGES US ALL TO BE MOVEMENT STARTERS

By Jeffrey Gangemi

In her new book, *Purposeful: Are You a Manager or a Movement Starter?*

Jennifer Dulski '93, MBA '99, issues a challenge to everyone who sees an opportunity to make their world better: You — yes, you! — have it in you to be a movement starter. It's not just a few select social changemakers and high-powered corporate executives who can effect change.

Dulski should know. As head of groups and community at Facebook and former president and COO of the online social change platform Change.org, the former coxswain for Cornell's national champion women's crew team has had a front-row seat in watching people from all backgrounds begin movements for change — large and small. "There's a leadership thread that ties together the most successful leaders: the ability to create clear vision and rally people around common purpose," said Dulski.

Distilling lessons from thousands of successful social changemakers, *Purposeful* is Dulski's attempt at demystifying changemaking for businesspeople and social activists alike. The book follows a number of successful changemakers — including an Egyptian Muslim woman who organized a group of competitive women runners who also wear the Muslim headcover known as hijab, an entrepreneur who started a successful organic baby food company, and a woman who founded a company that produces bras for young women without sexualizing them — and explains how their ideas and companies gained momentum.

A key takeaway from these stories: Change can start small and simple. The most meaningful individual opportunities to make a difference, Dulski argues, can seem minor in the wider scheme of things. "Sometimes changing something in a school or neighborhood can also be a movement; you don't have to change the whole world," she said, pointing to advances in parental leave and other benefits for new mothers driven by people within big companies standing up and organizing around clear goals and demands.

In today's world, Dulski argues, we all — businesspeople, entrepreneurs, even kids — have access to a set of tools, like petitions on Change.org, that empower us to make an impact. In writing *Purposeful*, Dulski believes she's starting her own movement "to

spread the idea that we all can start movements," particularly as would-be changemakers may feel daunted by political and social divisions. "Whatever you do, action, passion, and creativity count. Now more than ever," she writes.

A clear vision and an engaging story to support it can give fuel to causes and social change movements. Drawing on a specific lesson she learned at Change.org, Dulski describes an approach called the "ladder of engagement," in which changemakers invite individual supporters to begin with a small commitment and build to larger ones, magnifying the overall impact. "You start by asking for a lightweight action — a signature, a 'like' on a Facebook page, watching a short video — and then move people up the ladder to higher engagement actions, like sharing, donating, or volunteering," she writes.

Mobilizing the masses is important. But making change happen often demands reaching individual decision-makers at the tops of organizations. Dulski outlines "a series of predictable stages decision-makers tend to go through as they react to campaigns that are directed at them. I call them the Five Stages of Engagement: denial, listening, acceptance, embracing, and empowering."

An awareness of these stages can help a movement starter frame the benefits of change in concrete business terms, writes Dulski. For example, when SeaWorld was confronted with an outcry over the documentary film *Blackfish*, which exposed the inhumane treatment of orcas in captivity, the company initially denied the allegations. That denial cost them huge amounts of business from a flood of bad PR until they finally moved to acceptance and took action to stop orca breeding and orca shows. Their favorability score immediately rose 11 to 27 points, and customers returned to the parks. "If they had been able to move from denial faster, SeaWorld could have spared itself the huge hit to its reputation and saved tens of millions of dollars," Dulski writes.

Change, whether large or small, requires taking a scary first step. *Purposeful* challenges each of us — regardless of current circumstance or station — to transcend our fears, to live a life of purpose, a life of service, and a life driven by hope. "Whereas managers accept the world as it is, movement starters burn with the passion to make it more just, equitable, and engaging. We all need to make a choice," Dulski writes. "Are we managers or are we movement starters?"

Jennifer Dulski '93, MBA '99, head of groups and community at Facebook and former COO of Change.org, is the author of *Purposeful: Are You a Manager or a Movement Starter?* (Portfolio/Penguin, 2018).

PHOTOS COURTESY OF CHANGE.ORG

THE POWER OF INTRINSIC REWARDS

Having trouble sticking to your goals? Research by Kaitlin Woolley finds that focusing on what feels good about new habits helps you to stay the course.

[By Laura M. Giurge]

How many times have you told yourself that you will start exercising regularly come Monday or that you will start eating healthier come the first of January? Setting goals that help us become a better version of ourselves — the version we wish to be — can be a highly motivating tool. In reality, however, we often fall short of achieving such goals.

Kaitlin Woolley, assistant professor of marketing at Johnson, conducts innovative research that aims to understand why consumers fall short of their goals and what they can do to avoid this.

“In my research, I find that immediate rewards when pursuing long-term goals increase goal persistence, and that this occurs by increasing intrinsic motivation — the desire to pursue the activity for its own sake,” says Woolley. “For example, focusing on the positive taste of healthy food, or the fun in working out, can increase healthy food consumption and persistence with an exercise.”

When it comes to adopting new habits, zeroing in on immediate rewards is simply a more effective motivator than the promise of a good outcome down the road. “A large part of the problem stems from the fact that people are focusing too much on the delayed reward — the outcome of their workout or healthy eating,” notes Woolley. “But when people are in the middle of something, they care a lot about the experience and having fun, more so than the delayed outcome.”



Kaitlin Woolley, assistant professor of marketing at Johnson, specializes in studying consumer motivation and goal pursuit. She was recognized with the 2018 Half Century Research Fellowship at Reunion in June 2018.

Woolley is passionate about helping consumers overcome motivational struggles such as finishing a work task, sticking with a healthy diet, or going to the gym. As she explains it: “I like to ask questions that have real-world implications and study problems that many people face.”

To understand consumer motivation and goal pursuit, Woolley conducts experiments in the field and in the lab. For instance, when she collaborated on a project with Ayelet Fishbach, professor of behavioral science and marketing at the University of Chicago, she ran a study at a fitness center. Specifically, she would have gym-goers view a set of preselected exercises and choose a workout based on what they would enjoy doing (immediate rewards) or based on what would be useful for their health (delayed rewards). When choosing the immediate rewards, participants did more sets of weight-lifting exercises. (Kaitlin Woolley and Ayelet Fishbach, “For the fun of it: Harnessing Immediate Rewards to Increase Persistence in Long-Term Goals,” *Journal of Consumer Research*, 42, no. 6 [April 2016]: 952–966.)

In a different research project, Woolley wanted to understand how immediate rewards drive persistence. To that end, she gave some people an immediate bonus for working on a task, and gave others the same bonus a month later. Interestingly, those who received a bonus at the outset were more intrinsically motivated to work on their task. Because they thought the task was more fun and interesting, they were more likely to continue working on it without any rewards. (Kaitlin Woolley and Ayelet Fishbach, “Immediate Rewards Predict Adherence to Long-Term Goals,” *Personality and Social Psychology Bulletin* 43, no. 2 [February 2017]: 151–162.)

Focus on the fun when pursuing long-term goals — that’s a key takeaway from Woolley’s research, and it’s a powerful insight. As she puts it: “People often get wrapped up in the outcome of their actions. And it’s not that the outcome isn’t important, but having fun along the way is the key to persisting with goals.”

As she looks to the future, Woolley aims to examine ways to improve self-control in addition to continuing her research in consumer goal pursuit. “In ongoing research, I am examining what factors influence perceptions of progress and how this relates to procrastination behavior,” she says.

Woolley joined Johnson as an assistant professor of marketing in July 2017 and teaches core marketing and consumer behavior. Her research has been published in numerous media outlets, book chapters, and peer-reviewed journals. Two things that she loves about Johnson are its emphasis on research and its collegiality. “People are excited to talk with you about the research you are working on and to give feedback on how to improve your work. This is true across the university and is something I really appreciate about Cornell.”

Laura M. Giurge is a postdoctoral research associate at Johnson.

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BUSINESS PROFESSORS AIM TO REVAMP ACADEMIC TRADITION

Two business professors are radically revamping a decades-old academic tradition. Rather than vet a research paper for publication after it’s been written, they evaluate the research first — before it even begins.

[By Susan Kelley]

For the first time in the fields of finance and accounting, two top journals are using the “registered reports” format to publish special issues, under the guidance of two Johnson professors.

“Our approach is, ‘Draw the target and then shoot,’” said Robert Bloomfield, the Nicholas H. Noyes Professor of Management and a guest editor at the *Journal of Accounting Research* (JAR). “What we’ve done until now is we shoot, and then we draw a target around it — and pretend we’re awesome. ... Almost every paper that’s published in any of the top journals in

finance or accounting make it sound like they are perfect archers and hit the target directly.”

Registered reports have been gaining ground in the life sciences and other fields. But until now it hasn’t cracked business journals.

“I wanted to turn the business of editing journals upside down,” said Andrew Karolyi, the Harold Bierman Jr. Distinguished Professor of Management at Johnson, deputy dean for the SC Johnson College of Business, and the college’s associate dean for academic affairs, as well as executive editor of *The Review of Financial Studies* (RFS), among the top three finance journals.

In the current system, a scholar conducts research, writes a paper, then submits it to a journal. Papers often go through two to three rounds of revisions before they’re accepted and published.

But, Karolyi says, “People have gotten very, very skeptical about the integrity of research published in top journals.”

That's because only high-impact, bigger-than-life results are likely to get published, Karolyi said. Reviewers routinely say a paper's results may be correct but are not that exciting and suggest authors slice and dice their data until they get a more sensational result, he said.

It's known as "HARKing," short for "Hypothesizing After Results are Known." And plenty of researchers are criticized for what are known as QRPs: questionable research practices.

"Every one of these papers ... imply very large, economically important results, and we just know reality is not that clear. We are manipulating results so they look good to the outside world," Karolyi said.

In contrast, the registered reports format requires a scholar to submit a research proposal to the journal, before she even begins the work. Editors and reviewers vet the proposal based on its potential to answer an important question, its research design, proposed data collection, and the inferences the researcher would draw from her findings. The scholar must then defend her proposal in front of the review committee and editors. If the journal accepts the paper, it guarantees it will publish the paper — no matter what the scholar's findings.

"The idea is we shift the risk from the researcher to the journal," Karolyi said. "We are at risk of publishing a paper that has a non-result. All we're asking scholars to do is to be honest; tell us what you did. If they veer off the plan, which is perfectly okay, just tell us."

In 2014 Bloomfield suggested JAR — among the top three accounting journals — adopt registered reports. It did, for the May 2018 issue, which they asked him to join as a guest editor. Under his

leadership, JAR's reviewers are vetting papers on empirical research related to accounting.

Registered reports encourage authors to be more ambitious in their data-gathering, Bloomfield said. "We have a paper where teams of researchers went through every single major newspaper article in most of the world that mentioned 'scandal' and 'regulation' since 1860!" he said. "Who is going to do that just on spec?"

But, Bloomfield cautions, the format comes with a cost.

"We're applying the science of reporting — that is, accounting — to the reporting of science," Bloomfield said. "And the first thing we learn in accounting is, no reporting system is perfect."

The registered reports format does limit a scholar's discretion to explore areas that emerge as the research progresses, Bloomfield said. "There can be a lot of useful stuff you didn't anticipate at the beginning that now you have less incentive to really dig into because you're going to get published anyway," he said. To compensate, JAR will allow authors to include this material in supplemental analyses, he added.

At RFS, Karolyi has organized two upcoming issues using registered reports on rarely studied themes: financial technology, in 2018, and climate finance, in 2019. The financial technology authors presented their papers March 16–17 at a conference held at Cornell Tech.

"People have been talking about this integrity problem for decades. It's just nobody's ever done anything about it," Karolyi said. "And now we're trying."

This article was originally published in the Cornell Chronicle, Jan. 31, 2018

Robert Bloomfield, the Nicholas H. Noyes Professor of Management and professor of accounting at Johnson, is a guest editor at the *Journal of Accounting Research*, among the top three accounting journals. He is editor of the *Journal of Financial Reporting*, which is also pioneering an innovative editorial process intended to broaden the range of research methods used in accounting, improve the quality of research execution, and encourage honest reporting of findings. As Johnson's faculty director of eLearning, Bloomfield oversees the development of online courses and helps faculty make the best use of technology in traditional courses.

Andrew Karolyi, Harold Bierman Jr. Distinguished Professor of Management and professor of finance at Johnson, recently stepped down from his role as Johnson's associate dean for academic affairs to accept a new role as deputy dean for the SC Johnson College of Business as well as associate dean for academic affairs for the entire college. As executive editor of the *Review of Financial Studies*, he devoted an entire issue of the journal to financial technology, or fintech, and held a conference at Cornell Tech in March 2018 — the *Review of Financial Studies* Financial Technology (FinTech) Conference — where authors presented their new research in the field.

A NEW APPROACH SPURS NEW RESEARCH IN FINTECH

A call for registered reports from a top financial journal inspired new approaches to research in a new area of research — especially among younger scholars.

[By Janice Endresen]

As executive editor of the *Review of Financial Studies* (RFS), Andrew Karolyi was hearing something from his industry friends and colleagues that disturbed him: When they picked up their copies of the journal and looked at the featured topics, too often they'd say, "There's nothing here for me." So Karolyi, the Harold Bierman Jr. Distinguished Professor of Management at Johnson and deputy dean for the SC Johnson College of Business as well as the college's associate dean for academic affairs, began asking industry professionals in corporate finance and in asset management firms around the world, "Okay, if nothing that our colleagues in the academy are working on is interesting to you, what should they be working on?"

Among the top answers to that question, he said, he always heard the word "fintech."

Karolyi saw an opportunity as an editor. It did not take long to uncover that there were virtually no research-based papers focused on finance and technology, or fintech.

"Then I kept asking myself, 'Why is it that scholars are not doing research on fintech, when the fintech industry is clearly miles ahead of us?'" Karolyi recalls. "Did they perceive that editors would have no appetite for this kind of research? Did they believe that there were no qualified peer referees available to judge this kind of research? I came to the conclusion that scholars must perceive the research risks to be simply too high," Karolyi says.

At about the same time, Karolyi learned about registered reports, a new research protocol that intrigued him as an innovative editorial experiment. Under this protocol, designed to promote greater transparency about research methodology, the journal invites submissions of proposals rather than completed research papers, says Karolyi.

"It dawned on me that we could exploit this research protocol to address a glaring need on fintech research," Karolyi says. "So that's what we did. We issued a call for proposals on fintech, offering some guidance as to the kinds of questions we thought might be intriguing but leaving it open for the world to answer the call."

The journal's board and Karolyi's co-editors — Wei Jiang, a professor at Columbia Business School, and Itay Goldstein, a professor at Wharton — were "incredibly supportive," he says. "They are wonderful collaborators, and I couldn't have done it without them."

The results speak volumes: The editors hoped for 40 or 50 proposals and garnered a whopping 156 proposals. "To have 156 just blew our socks off," Karolyi says.

The editors carefully reviewed all 156 proposals and, together with a distinguished scientific board of reviewers, whittled them down to ten finalists.

"We were pleasantly surprised by the global diversity of scholars, and the tilt toward younger scholars in this space," says Karolyi.

“I’m doing one more special issue using a registered report format for another seriously underserved topic: climate finance. And we’re gearing up for the conference in London on October 5 and 6, 2018.”

— PROFESSOR ANDREW KAROLYI

“Sixty percent of the authors are either assistant professors or PhD students — disproportionately young scholars. And 50 percent are from outside of North America. My co-editor, Wei Jiang, had a beautiful insight about this: She called it ‘arguably the most democratic review process that we’ve ever seen in finance.’”

Fintech research: Ripe for growth

“[Fintech is] everything you don’t understand about money combined with everything you don’t understand about computers.” — TV comedian John Oliver

Karolyi takes great delight in this quote — partly because it rings so true.

What became very clear in the creation of this special fintech issue for RFS, Karolyi says, is that many people are confused about fintech. “Many people think of blockchain and cryptocurrencies as fintech — but those are only a part of it,” he says.

Topics covered in RFS’s first fintech volume do include papers on blockchain, cryptocurrencies, and asset settlement design, including three novel theory models; two papers on online lending and one on peer-to-peer lending; and one paper each on robo-advising, fintech patenting and innovation, and big data as a governance mechanism.

One team of scholars from the University of Technology in Sydney, Australia, contributed a paper focused on cryptocurrency disruption and regulation: “Sex, drugs, and bitcoin: How much illegal activity is financed through cryptocurrencies?” The researchers — Sean Foley, Jonathan R. Karlsen, and Tălis J. Putniņš — managed to access and analyze a chunk of the (now defunct) Silk Road, a dark net web service where a lot of illicit transactions were conducted. “They basically used a sweep of that data, then matched that against transactions on the bitcoin distributed ledgers,” Karolyi explains. “They were able to identify which transactions seemed to be correlated on Silk Road over a two-year period. Then, they built algorithms and extrapolated it for the entire history of bitcoin transactions over

the last decade to try to judge exactly what fraction of all bitcoin transaction activity is illegal.”

In fact, the researchers found that “cryptocurrencies are among the largest unregulated markets in the world,” as they wrote in their abstract. “We find that approximately one-quarter of bitcoin users and one-half of bitcoin transactions are associated with illegal activity. Around \$72 billion of illegal activity per year involves bitcoin, which is close to the scale of the U.S. and European markets for illegal drugs.”

Digging into the data to uncover new financial information in this way is “a great, great idea,” Karolyi says. “And the scholars are telling me that they are now being approached, even before their paper is published, by international police organizations looking to try to understand their algorithm for matching and identification of transactions that look illegal. That could be quite provocative, and quite impactful for the broader research.”

Additional fintech areas particularly ripe for more research, says Karolyi, include financial inclusion (getting access to finance and banking in emerging markets via mobile transactions) and global fintech trends, such as e-commerce, online lending platforms, and peer-to-peer lending platforms in countries like China. He looks forward to seeing further research in these areas in coming years — and anticipates his own PhD students doing some of it.

Karolyi is proud to have gone first in introducing the registered reports format to financial economics research and shaking things up along the way by opening up a whole new direction in research.

Although he officially stepped down as executive editor of RFS on June 30, Karolyi isn’t quite finished yet. “I’m doing one more special issue using a registered report format for another seriously underserved topic: climate finance,” he says. “It’s a three-year project that will culminate with a special issue in the spring of 2019, and we’re gearing up for the second conference in London on October 5 and 6, 2018.

“After that,” he says with a smile, “I’m done.”

Jay Bhatti at NatGasHub's
new office in Houston

GERHARD GRUETER, MBA '02
& JURGEN GEBHARD, MBA '03
CO-FOUNDERS AND MANAGING DIRECTORS,
LAWSON CONNER SERVICES LIMITED

Gerhard Grueter, MBA '02, (left) and Jurgen Gebhard, MBA '03, at Lawson Connor's office in London

TWO CORNELLIANs, ONE DREAM

The first thing you need to know about Lawson Conner Services Limited is that there is no Lawson and no Conner: When financial services executives Gerhard Grueter and Jurgen Gebhard were starting their own business in London, they were looking for an English-sounding name that suggested longevity and trust.

"If you put Grueter and Gebhard together we thought it might not be easy to spell or easy to remember," says Grueter, who with his partner turned their initial \$2,000 investment into a \$100 million enterprise in roughly five years. "We had common interests and a common dream, and it all came together."

In the beginning, "We didn't have a massive business plan," Gebhard recalls. "We just asked prospective clients, 'What's your problem? Is it technology? Digitalization? Services? Outsourcing?' By listening to people, we came across a lot of different mandates where we could solve problems clients had."

"Once we had initial feedback [about] a problem in the financial services market we could solve, we turned it into a

product that could be replicated or scaled," Grueter continues.

One such product is a software platform called MaxComply, which was created in reaction to the proliferation of anti-money laundering regulations. "In the compliance and regulation services industry, we are the race horse," Grueter says.

Lawson Conner's revenues have grown at an annual clip of nearly 60 percent over the last four years. The firm currently serves more than 150 clients in eight countries, with offices in London, New Jersey, Newcastle, and Singapore.

Following the recent acquisition of Lawson Conner by SGG Group — a global investor services firm based in Luxembourg — for an undisclosed figure, Grueter and Gebhard will continue to run the business from their office on Buckingham Palace Road in London. With offices in nearly two dozen cities on five continents, SGG will provide the infrastructure for Lawson Conner "to ramp up even more quickly," Grueter says. "It's a nice end to the story, but it's also a beginning."

— Dick Anderson

PHOTO COURTESY OF LAWSON CONNER SERVICES LIMITED

ACHENYO IDACHABA-OBARO, MBA '98 FOUNDER AND CREATIVE DIRECTOR, MITIMETH

Achenyo Idachaba-Obaro with coasters, placemats, and other crafts MitiMeth artisans make from water hyacinth fibers

PLANTS INTO PROSPERITY

W

ater hyacinths are a global menace, clogging water channels, denying fish of nutritional resources, and wreaking economic and environmental chaos in more than 50 countries — including

Achenyo Idachaba-Obaro's native Nigeria. When she moved home in 2009 to start an environmental consultancy business, "I really wanted to focus on grassroots sustainable development," says Idachaba, who worked for more than a decade at ExxonMobil.

She learned that the water hyacinth was not only pliable but durable, and read of communities in Southeast Asia and Kenya that had harvested the plant and turned it into crafts and artwork. Subsequently, she reached out to some local artisans, and in November 2011, she founded MitiMeth, a company that produces "eco-friendly handicrafts" — from baskets and lamps to stationery and tableware — from the aquatic weeds.

"When I set down this path, for me it was all about solving an environmental problem and an economic one as well," Idachaba-Obaro says. A 2013 grant from the Nigerian government aided her in staffing up — MitiMeth now has eight full-time employees and more than 100 part-time artisans — and the Cartier Women's Initiative Awards in 2014 gave the fledgling business international visibility.

As a finalist for the Cartier Women's Initiative Awards, Idachaba-Obaro spent a week in Paris, attracting the interest

Left: Women learning to make crafts from water hyacinth fiber at a MitiMeth training workshop
Right: Woven trivet and coaster set

of CNN. A subsequent profile prompted a call from an organizer at TED, who invited her to tell the MitiMeth story. Her 2015 TED Talk has generated more than 1.7 million views worldwide.

Within five years, Idachaba-Obaro envisions MitiMeth having multiple production centers across Nigeria and selling its products globally via e-commerce platforms. She credits her Cornell professors for teaching and equipping her with tools "to solve problems from a business side" — although she never took any entrepreneurial classes in her MBA studies.

"Back then, in my mind I was going to have a corporate career and that was it," Idachaba-Obaro admits. Now that she's turning meddlesome plants into prosperity, she has another confession to make: "I'm not a botanist. I hated the biological sciences in school."

— Dick Anderson

PHOTOS COURTESY OF MITIMETH

MOVE TO

**TODAY, IT IS ESSENTIAL TO
THE SUCCESS OF PRACTICALLY
EVERY ORGANIZATION —
AND SO IS THE CIO.**

By Merrill Douglas

the business world were a Broadway show, this would be the moment for the chief information officer (CIO) to step into the spotlight.

Data today plays a crucial role in just about every kind of business or government enterprise, from social media platforms made completely of ones and zeroes, to companies that sell shampoo or chainsaws but couldn't make those products, market them, or dream up new ones without sophisticated data capabilities. "There are very few places where what you accomplish with technology isn't integral to the business strategy and to how customers and stakeholders perceive a company or agency," says Howard Spira '85, MBA '86, senior vice president and CIO of the Export-Import Bank of the United States (EXIM).

As information technology becomes more critical to business success, the CIO

is rising to a new level of influence, from supporting player to one of the names at the top of the marquee.

"Leaders are rapidly scaling their digital businesses, making the remainder of this year and 2018 a defining moment for CIOs who don't want to be left behind," according to a 2017 report by Gartner, a leading research and advisory company, announcing the results of a survey of more than 3,000 CIOs worldwide. "[T]he CIO role is transitioning from delivery executive to business executive, from controlling cost and engineering processes, to driving revenue and exploiting data."

Back in the day, as a delivery executive, the CIO existed mainly to provide technology to accomplish day-to-day tasks. "Ten years ago, it was all about computers and desktops, and what systems you were putting

where," says Charles Conway, MBA '07, CIO at Shared Health Diagnostic Services in Winnipeg, Manitoba. Executives decided that they needed certain technology and charged the CIO with procuring, installing, and maintaining it.

A government-owned organization, Shared Health provides laboratory services, diagnostic imaging, and technology services for healthcare providers across Manitoba; it also develops the province's healthcare services strategy.

In many industries, not only did the CIO mostly provide back-office support, but companies regarded the CIO's office as a cost center, says Hernan Saenz, MBA '98, MILR '98, visiting senior lecturer of management and organizations at Johnson, and managing partner and head of the global performance improvement practice at Bain & Company. "The metric people were looking at was, 'What's my IT spend

[T]he CIO role is transitioning from delivery executive to business executive, from controlling cost and engineering processes, to driving revenue and exploiting data.”

SOURCE: “GARTNER SURVEY OF MORE THAN 3,000 CIOs CONFIRMS THE CHANGING ROLE OF THE CHIEF INFORMATION OFFICER,” GARTNER.COM, 10/2/17

as a percent of revenue?” he says. Those companies did not look to the CIO’s team to generate revenue at all.

There were exceptions, of course. In industries such as finance and telecommunications, where data has long been at the core of the product and the customer experience, CIOs have played a strategic role for quite some time.

Today, though, data and information technology are the key to the strategy and operations of any business, Saenz says. “For example, if I’m making engines and I can put sensors in them, the data from those sensors lets me understand how the engines are performing and when I need to do maintenance. That changes everything.”

At Bain & Company, Saenz helps clients in a broad range of industries work toward business transformation, cost management, and operational excellence. “As you can imagine, there’s a huge digital component in today’s world across a number of dimensions,” he says. “IT is now a critical part of

the value chain — how we make things. It is part of the product or service. And it is part of the customer journey.”

So while keeping things running is still an important part of the CIO’s job, a person holding that title now spends much more time helping the organization thrive and grow. “More and more, the CIO is participating in broader strategic discussions and expected to be a value-added contributor about customers, markets, channels, and products,” Spira says.

If you want concrete proof of that evolution, look at a company’s IT budget. In the past, an IT department spent maybe 80 percent of its money on running the business and 20 percent on efforts to expand the business, Saenz says. “That is probably going to change to 50-50, or even more, in a world where running the business — the plumbing — becomes far less important, and growing or powering the business is the true value you provide.”

New Spheres of Influence

For further evidence of this fundamental change, consider the kinds of activities where CIOs now play key roles. Take marketing.

Customer loyalty programs are extremely important in the hospitality industry, says Oh Wacharasin, MBA ’14, who advises CIOs in her role as a senior associate at KPMG. These days, when a customer chooses a hotel, the perks that come with loyalty points may influence the purchase decision even more than the prospect of top-notch service or elegant rooms. “You need data to enable the most competitive loyalty programs [such as] customer reservation data or reward data,” she says. “To manage that amount of data and drive technology initiatives, you need a competent IT organization that works as a business partner, led by a strong CIO.”

With help from the CIO, the organization can also use data from the loyalty program to fuel other marketing initiatives,

Wacharasin observes. For example, when a company owns a broad portfolio of properties, the customer relationship management team might analyze loyalty data to learn which hotel categories different guests tend to select. “This information helps marketing departments segment customers, properly target customers, and figure out what kinds of promotions would interest them,” she says.

These days, you’ll also find CIOs getting involved in internal operations that rarely called upon their talents in the past. One example is human resources.

“Typically, HR would be the department leading on how we transform our HR organization to ensure that we have the right people in the right chairs with the right skills at the right time,” says Kristie Grinnell, MBA ’99, CIO and chief supply chain officer at General Dynamics Information Technology (GDIT), a systems integrator and IT services company in Fairfax, Va.



IT is now a critical part of the value chain. It is part of the product or service and part of the customer journey.”

→ Hernan Saenz, MBA ’98, MILR ’98, managing partner, Bain & Company

But it was Grinnell's team that launched Recruit to Retire, an initiative to better attract and retain talent in a highly competitive market. The IT department led this project in partnership with HR.

Grinnell got involved in Recruit to Retire because, as CIO, she sees into the IT systems for HR across the whole company. HR executives at corporate headquarters and in GDIT's three divisions see activities only within their own realms. From her broader perspective, Grinnell noticed that different organizations in the company were courting employee candidates with the same skill sets. "Because they weren't talking, they were actually competing with one another for the same resources," she says.

Thanks to her unique insights into the problem, Grinnell could make a case for

redesigning the company's HR strategies. "It's my business architect, on my enterprise architecture team, who's leading the way to think about the processes and the employee experience we want," she says.

Among other changes, Recruit to Retire will make all HR data visible across the company's divisions, Grinnell says. "This allows us to make better decisions, because we have more transparency across our collective recruiting pool."

Michael "Sonny" Sonnenstein '90, MBA '91, CIO for consumer, business, and digital banking at M&T Bank in Buffalo, has also made a deeper dive into HR innovation than old-school CIOs did. Right now, he's involved in implementing a new, cloud-based HR platform. "It should make our employee experience much better as it relates to payroll,

benefits, talent, succession, and performance, giving our employees tools and capabilities that will allow them to maximize their potential," he says.

A Seat at the Table

Not only are CIOs joining initiatives that wouldn't have belonged to their portfolios in the past, but they're bringing the IT perspective to corporate planning at the highest levels. "The real opportunity for the CIO today is to be part of the discussion of how we can leverage new technologies to create new business models," says Karan Girotra, professor of operations, technology and information management at Johnson and Cornell Tech.

In a sophisticated startup — one conceived in the digital world — the person who plays this role might not even be called CIO,

CIO MAKES THE SALE

→ Kristie Grinnell, MBA '99, CIO and chief supply chain officer at General Dynamics Information Technology

Not only have CIOs moved out of the back office; some of them spend at least part of their time in what you might call the company's show window.

That's what's happened with Kristie Grinnell, MBA '99, CIO and chief supply chain officer at General Dynamics Information Technology (GDIT) in Fairfax, VA. As a systems integrator, GDIT provides IT solutions and services to corporations and government agencies. Part of Grinnell's job is to serve as beta customer for many of those products, implementing them internally before GDIT takes them to market. Then she lends her voice to the sales campaign, engaging directly with customers.

"I can speak to our clients on a CIO-to-CIO level and let them know, 'This is how this works. This is the business case I had. This is what works well, and this is what doesn't,'" Grinnell says.

Not only does Grinnell help GDIT promote integrated solutions to clients, but she also helps develop those solutions. As she discovers a need for new capabilities inside the company, she builds a business case. She also talks with solutions architects and chief technology officers within GDIT's divisions to gather information on commercially available technologies that might help meet the need. "I let them weigh in on the RFPs I put out to vendors and decide which vendors I should talk to," she says.

"I help design those solutions that we put together, based on my needs and my business case. And then we tell that story back to our customers and influence the solutions offerings for the rest of our clients."

More and more, the CIO is participating in broader strategic discussions and expected to be a value-added contributor about customers, markets, channels, and products.”

→ Howard Spira '85, MBA '86, senior vice president and CIO of the Export-Import Bank of the United States

Girotra says. “They would be the CTO [chief transformation officer] or even the CEO.” In companies with a longer heritage, the CIO position is still common, he says. “But the CIO would ideally become part of the business model innovation discussion.”

To make that contribution, a CIO needs to sit as an equal at the conference room table in the C-suite.

“So much of IT is also a boardroom issue,” says Spira. “When I started my CIO journey, the CIO was a junior partner. But now, they’re more and more considered a major partner.”

Before she came to GDIT, Grinnell observed that in other companies, the CIO typically reported to the chief operating

officer (COO) or chief financial officer (CFO). “Now, I report directly to the president,” she says.

That unmediated link to the top was one of Grinnell’s requirements when GDIT brought her in to transform the IT department, giving it the full partnership status held by other departments in the company. “I have to have that seat at the table and to be just as important as all my peers,” she says.

Sitting in this seat, the CIO gains insights that help him or her discover how to deliver business value, says Sonnenstein. “I’m a part of all the important steering groups within M&T Bank, for example. As we look at how to approach existing markets and new markets, I’m at the table for those discussions. I don’t know if that would have been the case 10, 15, or 20 years ago.”

Sonnenstein served as executive vice president and CIO at Umpqua Bank in Portland, Ore., before coming home to New York State in 2018 to take his position at M&T. Lately, he and his colleagues have been discussing how to use technology to attract more customers outside M&T’s core in western New York. “That’s very different from where we were when I started in the banking industry 30 years ago,” he says. “Then, the job was very much order taking: ‘We need a system to do this. Go find one and put it in.’”

At Shared Health, Conway focuses less these days on day-to-day IT problem solving and more on essential organizational questions, such as how to balance the imaging needs of cardiology, radiology, pathology, and other services across the province. “How do I align everything and solve these problems without everybody going off and doing things on their own?” he asks. “We’re looking for common solutions and common applications.”

What it Takes

Now that companies are including CIOs in

deliberations at the highest levels, CIOs need to cultivate new skills. Certainly, a strong grasp of IT remains important. “You can’t be a top manager without understanding technology,” Girotra points out. “At the same time, perhaps more important, you have to understand the business model.” Ultimately, the CIO should know how to question that model, with an eye toward how technology can help it evolve.

Those are the kinds of skills students gain at Cornell Tech, with its emphasis on merging business and technology, Girotra says. “We strongly believe that this is what drives disruption: using technology to change the economics of an industry’s business models. The CIO is uniquely positioned to do that.”

Today’s CIO must comprehend the organization’s strategy and operations even better

We strongly believe that this is what drives disruption: using technology to change the economics of an industry’s business models. The CIO is uniquely positioned to do that.”

→ Karan Girotra, professor of operations, technology and information management at Johnson and Cornell Tech

than in the past, says Saenz. “They need to understand the customer journey, the product and service, the business capabilities, and the value chain of their firm. They need to understand how the firm makes money and how to power that engine.”

Among other things, a CIO who knows the business well can serve as an interpreter among specialists. That’s the case with Conway at Shared Health. “I need to be able to speak the clinical language in order to communicate with the physicians, to translate what we’re doing from a technology perspective to clinicians,” he says. “And I need to translate what the clinicians want back into our world. I’m almost serving as a strategic consultant.”

A CIO requires strong interpersonal skills and a knack for questioning assumptions, Conway says. “You also need the ability to

remain focused on the goal the organization is trying to achieve, even though that may be different from what is ideally pure from a technology perspective.”

In addition, the CIO must know how to forge relationships with executive peers and members of the board of directors, says Spira. “I spend a lot more time focusing on listening skills, communications skills, my ability to articulate complex topics in a way that is respectful to folks who don’t focus on these matters all the time, to create common ground.” Developing relationships that promote productive discussions about strategy, risk, products, markets, and new trends can become a full-time job, he says.

Also, a CIO must be able to innovate, says Wacharasin. “It is crucial that the CIO show that he or she can drive new, innovative technology initiatives to ultimately

increase sales and reduce costs. You have to be a thought leader for your organization and change the mindset of your IT employees to become business partners rather than support resources.”

In sum, a CIO with real star power exhibits the same capabilities you’d look for in any top leader. And a CIO with those talents faces an unprecedented opportunity to rise all the way to the top, Spira observes. “You’re seeing cadres of CIOs becoming CEOs in a way that you would not have imagined in the past.”

Merrill Douglas writes about a wide range of business and government-related topics for trade magazines, university publications, nonprofits, and corporate clients from her home on a country road in upstate New York.

TO KEEP YOUR BALANCE, YOU NEED THE TEAM

As the focus of the CIO shifts to corporate strategy, someone still needs to keep the infrastructure up and running. Careful attention to the nuts and bolts of IT is especially crucial as organizations face a constant barrage of cyberattacks. Ransomware can cripple an enterprise for days, and a major data theft could put it out of business for good.

“Close-to-the-metal” concerns such as security still matter a great deal, says Charles Conway, MBA ’07, CIO at Shared Health Diagnostic Services in

Winnipeg, Manitoba. For a CIO trying to balance digital transformation and day-to-day IT operations, the key is to cultivate leadership within the IT organization.

Some of those leaders will focus heavily on traditional IT concerns, Conway says. “Those will be your lieutenants who are backing you up on the technology side. Others will back you up on the strategic side, thinking more about the upstream, future-focused concerns. It’s all about the team.”

‘Close-to-the-metal’ concerns such as security still matter a great deal.”

→ Charles Conway, MBA ’07, CIO at Shared Health Diagnostic Services

By Maria Minsker '13

Advocates are adamant that blockchain technology is positioned to change the very nature of work for myriad industries and people in coming years. It's certainly clear that the burgeoning technology could streamline many areas of business thanks to its open and distributed nature. Faculty and alumni interviewed for this story describe how it's already making inroads in regulatory compliance, supply chain management, recruiting, and healthcare.

In recent years, “blockchain” has become synonymous with “cryptocurrency,” but its applications reach much further than financial transactions. While it's true that cryptocurrencies constitute the most immediate and popular applications of blockchain today, the technology is poised to disrupt virtually any industry in which intermediaries are required to verify transactions. From startups like recruiting company Blockgram, which uses blockchain to hire talent, to large corporations such as Walmart, which is applying blockchain to reshape its supply chain, businesses are getting serious about blockchain.

“Blockchains are essentially tools for minimizing the trust assumptions and preexisting relationships required to ensure equitable commerce,” explains Ari Juels, professor at the Jacobs Technion-Cornell Institute at Cornell Tech and computer science faculty member at Cornell University. “They can enhance their transparency and, in the case of fledgling companies without established reputations, enable the launch of businesses that rely more on code than on people.”

At its core, blockchain provides an indisputable, unchangeable record of business designed to distribute the responsibility of verifying every step of a deal, thereby shaking up the very nature of work by making it more secure, transparent, and eventually, more seamless. Even in its infancy, the technology is already shaking up the tech world: According to research from MarketsandMarkets, the blockchain market is poised to reach \$7.7 billion in 2022, which is driving many companies, including Oracle, Microsoft, SAP, and IBM, to move quickly to make blockchain services a priority.

At the end of last year, Oracle introduced Oracle Blockchain Cloud Service to enable its customers to transition existing applications to blockchain, while SAP and Microsoft have made moves of their own to make it easier for clients to deploy blockchain applications in the cloud. IBM has also long been a proponent of blockchain adoption and continues to double down on the technology. The tech behemoth is a part of the Linux Foundation's Hyperledger consortium, a nonprofit organization that is bullish on blockchain technology and aims to create standards for blockchain technology use. To spark interest in the technology, Hyperledger offers customers a free trial of blockchain in its cloud.

THE TRANSFORMATIVE POWER OF BLOCKCHAIN

With infrastructure and support from these massive players, blockchain is ripe for widespread adoption, and companies aren't wasting any time. According to new research from Deloitte, 74 percent of large companies (with sales over \$500 million) see a "compelling business case" for blockchain technology.

"Blockchain has the potential to be quite disruptive and make the way people work fundamentally more transparent and collaborative in the future," says Drew Pascarella, MBA '01, Rempe Wilson Distinguished Lecturer, senior lecturer of finance, and faculty director of Johnson's fintech intensive program offered on the Cornell Tech campus. Indeed, from supply chain management and regulatory monitoring to recruiting and healthcare, organizations are applying blockchain to their business models to revolutionize how they track and verify transactions.

SIMPLIFYING REGULATORY COMPLIANCE

Blockchain technology offers numerous advantages, but its decentralized nature and immutability as a distributed ledger is a leading factor that makes it attractive, says Gerhard Grueter, MBA '02, managing director at Lawson Connor, a regulatory infrastructure and managed compliance firm. Information and transactions recorded in a blockchain are not centrally stored or managed by a single company, organization, or government authority. "The 'aha' moment for most

businesses comes when they realize that blockchain provides a high-quality audit trail and allows them to track all transactions, changes, or other actions carried out by participants," Grueter explains.

For Grueter's compliance work, smart contracts constitute one of the most critical applications of blockchain. Smart contracts enable companies to digitize almost any asset or task that is required for buying, selling, or otherwise completing a transaction. These contracts automate verification throughout the workflow and ensure that every component is carried out effectively and securely. Built on if/then logic, smart contracts specify a set of coded steps, with each subsequent step taking place only if the step before it was completed properly.

Typically, regulation compliance is an arduous legal process, requiring a great deal of documentation requests and verification processes, as well as proof of identity for all parties involved. These processes are clunky, time-consuming, costly, and complex for many, which is why they often turn to a tech-enabled provider like Lawson Connor. With smart contracts, however, the processes are completed via if/then conditions and algorithms, making the execution much faster and efficient. Updates throughout the verification process happen in real time as smart contract conditions are met and are visible to all, making it easier to detect potentially fraudulent actions. Plus, actions can't be erased, which makes wrongdoers easier to pinpoint

Johnson's new fintech intensive

Drew Pascarella, MBA '01, Rempe Wilson Distinguished Lecturer and senior lecturer of finance at Johnson, says he was "thrilled, proud, and humbled to lead Johnson's inaugural fintech intensive."

To determine how best to teach fintech, Pascarella, who also leads Johnson's investment banking immersion, "took a page from the startup playbook" and sought input from recruiters to learn what they look for in fintech-focused recruits.

In addition to the cross-disciplinary management skill set Johnson MBAs are known for, says Pascarella, recruiters wanted "students who were fluent in the language of fintech, understood the drivers behind the disruption, and were able to hit the ground running in the fastest-moving industry in the world. Our solution? Immerse our students in fintech

in the form of an intensive, which is modeled after Johnson's pioneering and highly successful immersion learning programs."

The seven-week fintech intensive, offered for the first time in the spring of 2018 at Cornell Tech in New York City, exposes students from all three of Johnson's residential MBA programs — in New York and in Ithaca — to startup ideas and ventures, technical concepts, and real-world case studies of technology applications in multiple areas of the financial services industry. The coursework is designed to ensure students gain a keen awareness of all things blockchain and crypto; provide students with the opportunity to construct a business model and an understanding of how to scale for high growth; and includes a fintech practicum that concludes with a business plan pitch competition where students present early-stage fintech-related business ideas to a panel of venture capitalists.

and ultimately any fraudulent transactions would not be verifiable or accepted by the rest of the chain.

“Blockchain technology provides the opportunity to democratize information and increase transparency for all parties. Everyone can have full visibility into the entire compliance

Blockchain and Innovation Club

When Isar Flis and Siddhesh Amarnath, both MBA '19, started discussing blockchain and its business impact with fellow classmates at Johnson in the fall of 2017, they quickly realized there was enough interest to launch a Blockchain and Innovation Club — so they did. Thirty-five people came to their introductory information session on March 8, 2018, including students enrolled in the investment banking, consulting, and digital technology immersions and several students from other Cornell schools. Now, the club boasts 103 members.

“Blockchain is a popular buzzword, so people want to gain more information about it, understand what it is and how can they actually use it,” says club president Flis, who also heads strategy and operations at Agoras, a \$70m project based on blockchain and AI.

The club's initial information session focused on the difference between blockchain and bitcoin, the cryptocurrency market, and business case uses of blockchain in specific industries and applications.

In addition to considering blockchain-related security and privacy issues, discourse also touched on the dark side of blockchain, including the Silk Road — the online black market best known for peddling illegal drugs that was launched in 2011 and shut down by the FBI in 2013, then revived and shut down again in 2014, with the owner arrested, convicted, and sentenced to life in prison. “We discussed that particular case and how law enforcement can eventually identify people involved in these transactions,” says Amarnath.

“Our first information session was a success, and our next steps will be to bring in alumni and other practitioners representing banks and consulting firms to share their knowledge and experience with blockchain,” says Flis.

process at every checkpoint up until the point where all of the regulator's requirements have been met,” Grueter explains.

Smart contracts make regulatory reporting inherently simpler as well, since blockchain is, by nature, made up of shared data. This means that regulators don't have to collect and analyze the data themselves; rather, transactions are documented securely in an unalterable ledger, Grueter explains. “Blockchain is just the next step after the internet in digitalization. It's a natural evolution of what is already available to us, and it's going to be a game changer in the world of regulation compliance,” Grueter says.

Pascarella agrees: “Though cryptocurrency gets all the hype, smart contracts are among the most immediately applicable and interesting use cases that currently exist for blockchain.”

STREAMLINING SUPPLY CHAIN MANAGEMENT

Blockchain has the potential to shake up other industries where intermediaries are tasked with recording and verifying data points as the basis for a particular transaction, says Rita Golub, MBA '13, co-founder of Top Ledger LLC, a consulting firm that works with companies that have implemented blockchain. Supply chain management, for example, stands to benefit greatly from blockchain adoption, largely because many parties are involved, and each is tasked with confirming that the transfer of goods has been carried out correctly up to their assigned point.

The food services industry — where the supply chain is particularly complex and requires the preservation of perishable products — is a prime candidate for blockchain use.

“Managing all the touchpoints on the supply chain into a smart contract eliminates the need for manual or human verification,” Golub explains. “By creating smart contracts for a supply chain,

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Blockchains are essentially tools for minimizing the trust assumptions and preexisting relationships required to ensure equitable commerce.”

— ARI JUELS, PROFESSOR AT THE JACOBS
TECHNION-CORNELL INSTITUTE AT CORNELL
TECH AND COMPUTER SCIENCE FACULTY
MEMBER AT CORNELL UNIVERSITY

THE TRANSFORMATIVE POWER OF BLOCKCHAIN

you're putting each touchpoint into a contract where B cannot happen without A and so forth. Food can't leave the truck if the temperature was too high and created a risk of spoiling, for example."

For Walmart, applying blockchain to supply chain management solves a very real business concern: quickly being able to pinpoint the source of a product contaminated by salmonella, E. coli, or something else that's harmful for consumption. When Walmart's vice president of food safety Frank Yiannas challenged his team to find where a batch of mangoes originated, it took the team nearly a week. But if this were a real-life situation where people's health was at stake, the company wouldn't have been able to wait that long before taking action: Walmart would have to immediately pull all mango products from its shelves as a precaution, which would be costly.

In an attempt to tackle the issue, the company participated in an experiment with IBM to put its supply chain on a blockchain ("Why Big Business Is Racing to Build Blockchains," by Robert Hackett, *Fortune*, Aug. 22, 2017). The Walmart-stocked mangoes' journey from farm to store was then digitized and tracked, with every step of the process verified through the blockchain. With the blockchain in place, identifying the source of the mangoes now simply required entering the fruit's lot number into a web portal and voilà, every key piece of data — including when it was harvested, when it underwent decontamination processes, when it passed through U.S. Customs and Border Protection, and when it arrived at a Walmart store — was visible, all within seconds.

Applying blockchain in this way could add efficiency, cut costs, and allow supply chains to scale in a way that wasn't possible before. In the past, the industry has tried using RFID tagging on inventory to achieve some of the same tracking benefits that blockchain now promises, but RFID sensors were cost-prohibitive at scale.

"Blockchain will allow companies to work with lots of small suppliers. A company engaged in procurement of fair-trade coffee from farmers all over the world finds it difficult to trace the provenance of its procurement," says Vishal Gaur, Emerson Professor of Manufacturing Management and associate dean for MBA programs at Johnson. "With blockchain, that becomes possible."

Beyond influencing individual companies' supply chain management, blockchain has the potential to impact global trade. Over \$4 trillion in goods are shipped each year, with 80 percent of these goods being carried by the ocean shipping industry in international waters. The cost of the legal and regulatory documentation associated with this process is astronomical, adding up to nearly one-fifth of transportation costs. Reducing the cost and streamlining regulation could boost global trade by nearly 15 percent, according to the World Economic Forum. And blockchain is helping in this regard.

Earlier this year, shipping giant Maersk teamed up with IBM to form a joint venture focused on developing a global trade digitization platform that would leverage blockchain — along with additional cloud-based, open-source technologies delivered via IBM Services, such as artificial intelligence (AI), the Internet of Things, and analytics — to enable companies to more efficiently track the supply chain of goods between international borders and regulate trade from a legal perspective.

"This new company marks a milestone in our strategic efforts to drive the digitization of global trade," said Vincent Clerc, chief commercial officer at Maersk in a company statement. "The potential from offering a neutral, open digital platform for safe and easy ways of exchanging information is huge, and all players across the supply chain stand to benefit."

RESTRUCTURING RECRUITING

The distributed nature of blockchain also makes it a viable alternative to more established tools used in recruiting and talent acquisition, thanks to the advent of decentralized apps (dapps) — open-source applications that leverage blockchain.

Blockgram, a recruiting and talent acquisition agency for blockchain and financial services technology companies, uses a proprietary human capital search platform dapp to first locate and then screen thousands of candidates for its clients. "We use decentralized apps and smart contracts for recruiting actively to pair organizations with prospective candidates," says Basel Ismail, MBA '16, Blockgram's co-founder and CEO. "There's a near zero percent service fee when you [use a dapp to hire] individuals," Ismail says, while posting job

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Managing all the touchpoints on the supply chain into a smart contract eliminates the need for manual or human verification."

— RITA GOLUB, MBA '13, CO-FOUNDER OF TOP LEDGER

“

Blockchain has the potential to reshape how pharmaceuticals are tracked and traced.”

— MARK TRESHOCK, MBA '12, IBM'S GLOBAL BLOCKCHAIN SOLUTIONS LEADER FOR HEALTHCARE AND LIFE SCIENCES

openings on other platforms can be costly. Besides the cost advantage, Ismail says using dapps for hiring increases efficiency: Because blockchain adds transparency to shared processes, candidates know exactly where they are in the hiring process in real time, as do employers that work with recruits to find talent.

Blockchain technology can help with other aspects of the hiring process beyond recruiting. Before candidates receive job offers, many have to go through detailed background checks and other verification processes. Thanks to blockchain, hiring managers and HR teams won't have to manually track and shepherd this lengthy process because candidates will be able to use dapps such as Civic or Evernym to verify their identities and store them using blockchain before receiving a job offer. Their addresses, employment history, educational information, Social Security numbers, and citizenship status will all live prevalidated, secure, and ready to access with their permission.

Onboarding, another component of the hiring process that consists of many steps, can also be automated using smart contracts. Think supply chain management, except instead of transporting a product through a supply chain, companies will be able to guide new hires through onboarding.

TAKING ON THE OPIOID CRISIS

Beyond some of the “low-hanging fruit” for blockchain use, there are other somewhat unexpected areas that stand to benefit as well. For example, blockchain can have an impact on the healthcare industry by tackling the opioid addiction epidemic. More than 33,000 Americans died of drug overdoses involving opioids in 2015, according to a November 2017 report by the Council of Economic Advisors (CEA),

a White House agency. The same report puts the economic cost of the opioid crisis in 2015 at \$504 billion, a figure six times higher than previous estimates because the CEA included the value of lives lost in its accounting in addition to the costs of healthcare (including treatment for addiction), productivity loss, and legal costs associated with criminal possession of unprescribed opioids.

Where does blockchain come in? In 2013, the U.S. Food and Drug Administration enacted the Drug Supply Chain Security Act (DSCSA), which proposes steps for developing an “electronic, interoperable system to identify and trace certain prescription drugs as they are distributed in the United States.” Blockchain could provide the technological infrastructure needed to bring this plan to life, explains Mark Treshock, MBA '12, IBM's global blockchain solutions leader for healthcare and life sciences.

“Blockchain has the potential to reshape how pharmaceuticals are tracked and traced,” says Treshock. “It offers shareability, consensus, and an unchangeable record for the prescription supply chain.” Not only does using blockchain make it simpler to track compliance and manage the supply of drugs to the individuals they were prescribed to; it also promises to reduce costs through increased supply chain efficiency and rebate management.

“Blockchain is getting traction relatively quickly, and if it continues on this track, then pharmaceutical companies could put blockchain to work way ahead of the 2023 deadline that the FDA has put in place for implementing the DSCSA,” Treshock says.

IBM is working with pharmaceutical companies to build and test blockchain-based applications for drug management that could send shockwaves throughout the healthcare industry — in a good way.

“

A company engaged in procurement of fair-trade coffee from farmers all over the world finds it difficult to trace the provenance of its procurement. With blockchain, that becomes possible.”

—VISHAL GAUR, EMERSON PROFESSOR OF MANUFACTURING MANAGEMENT AND ASSOCIATE DEAN FOR MBA PROGRAMS AT JOHNSON

THE FUTURE OF BLOCKCHAIN

Despite the potential of blockchain technology, there are limitations and concerns surrounding it as well. Even in the business community, there's still confusion around what blockchain actually is, which leads to hesitation, according to Juels. This will change with time, however, he predicts. "Use the term 'business logic automation' rather than sexier terms like 'blockchain' or 'smart contract,' and people will get a clearer idea of the prospective benefits," he advises those in the space.

Business schools will also play a role in blockchain's growth. "The purpose of a business education — in addition providing a foundation of business acumen — is to empower students and help them develop a fluency in new technologies and trends. Blockchain is a key new technology, so it's important to immerse the next generation of business leaders in it as part of their MBA training," says Pascarella, whose fintech intensive includes a course on blockchain and cryptocurrencies.

The lack of regulation is a concern often cited by blockchain skeptics, but as it becomes a more established technology in the world of financial services, "regulation will come" and expand to other areas of business as well, according to Gaur.

By all accounts, blockchain is still in its infancy. But, interest in blockchain and its popularity are growing. Golub and her co-founder at Top Ledger, Nina Knox, have experienced a notable increase in interest from existing organizations looking to apply blockchain technology to their business and from startups aiming to make blockchain a foundational part of their business.

"Up-and-coming businesses as well as established companies are looking for use cases and ways to implement blockchain in a way that makes sense," Knox says.

Still, blockchain isn't for everyone. Gaur cautions companies against getting swept up in some of the excitement surrounding blockchain and assuming that it's now a must-have for their company. "Familiarize yourself with use cases of the technology. Look at previous new technology applications, and look for sources of advantage," he recommends.

Of all the difficulties that lie ahead for blockchain adopters, the toughest one will be determining how to extract business value. "There are a lot of opportunities surrounding it, but it's not always the right tool to solve your business challenge," Knox says. "As with any emerging technology, understand the pros and cons before you invest."

Maria Minsker '13, a former student writer intern at Johnson who still enjoys writing for us, is now a senior editor at Original9 Media in New York.

How smart contracts can protect farmers

Sam Haveson, Alan Lau, and Vince Wong, all MBA '17 Johnson Cornell Tech graduates and Emerging Markets Institute fellows, researched and wrote a paper about the opportunities blockchain technology offers to protect farmers from weather-related volatility.

Their paper, "Protecting Farmers in Emerging Markets with Blockchain," cites smart contracts farmers are already using that help to protect them from weather crises. Processing such claims "is often a slow process and hinders farmers when they need coverage the most," the authors write. "Smart contracts will create major improvements in the claims processing system. In the event of a natural disaster, weather data will be proactively used to trigger conditions and rules to begin issuance of capital for claims."

Such smart contracts are disrupting and transforming the crop insurance industry. "The insurers are able to avoid the operational burden of processing a large volume of claims because of the automated processing afforded by smart contracts," the authors write.

Not stopping at their analysis of where in the world farmers would benefit most from such a system, the authors proposed an app they dubbed SmartCrop, an "Android-based mobile platform leveraging smart contracts and intelligent weather prediction to help farmers hedge against crop volatility." Designed for progressive farmers in rural China, a country with a strong commitment to blockchain development and a mature agricultural insurance market, SmartCrop's target user would have access to a smartphone and a bank account and a clear need for weather insurance. The authors' product proposal includes details about SmartCrop's interface, architecture, go-to-market strategy, and implementation plan.



LESSONS LEARNED IN SPORTS HAVE HELPED JOHNSON GRADUATES SUCCEED IN THE BUSINESS WORLD. Here's how. BY ELEANOR FRANKEL

Proponents of high school and college athletics often tout the benefits of being involved in sports. They talk about how involvement on a team teaches lifelong skills, such as accountability, teamwork, and setting goals. Those in the business world applaud another lesson from athletics — how to become a leader.

As quarterbacks, coxswains, point guards, shortstops, and more, athletes are afforded a testing ground for directing a group toward a goal. That experience can reap rewards once they trade in their uniforms for business suits.

A survey by EY and espnW published in 2015 (“Where will you find your next leader? EY and espnW explore how sport advances women at every level”) found that 80 percent of female executives at Fortune 500 companies had participated in sports, as did 94 percent of C-suite women.

While a comparable study has not been conducted that includes men, examples are abundant in both genders. Ford CEO Jim Hackett and recently retired GE CEO Jeffrey Immelt competed on their college football teams. Hewlett-Packard CEO Meg Whitman played four sports in high school and two in college. Whole Foods CEO Walter Robb spent his undergraduate years as a soccer star.

Johnson graduates provide further proof. Irene Rosenfeld '75, MS '77, PhD '80, former CEO of Mondelēz International, has both written and spoken about how her experiences growing up playing sports directly impacted her career, and her words were included in Venus Williams' book, *Come to Win*. Jennifer Dulski, '93, MBA '99, head of groups and community at Facebook and former COO of Change.org, penned an article about the dynamic for *Fortune*, “Change.org President: 5 Leadership lessons

from my days as a coxswain.” There, she wrote: “Great coxswains are part visionary, part strategist, part coach and part cheerleader — all the things I strive to be as a leader.”

But exactly how does sports participation create future leaders? We asked several Johnson graduates, including many former team captains and athletes who have competed at the highest levels, to weigh in. They say the most important lesson learned was how to build collaborative working groups — how to create teams where the whole equals more than the sum of its parts.

BUILDING TEAMS BY MOTIVATING INDIVIDUALS

When athletic teams are at their best, their teamwork is seamless. The soccer or lacrosse or field hockey ball moves from one player to the next, and it all looks effortless. But there is, indeed, a lot

of effort needed, and much of it relies on motivating individuals to a common goal.

Learning to understand and accept what drives each team member in different situations was an important lesson taken in by Jen Baker, MBA '12, MEng '13, when she competed with the women's lacrosse squad at the U.S. Naval Academy and as a volunteer assistant coach for the women's lacrosse team at Cornell. "The real key in that is emotional intelligence," says Baker, now senior associate athletics director at Johns Hopkins University. "What does my teammate on defense need right now? What does my teammate on offense need? It's going to be different.

"Then you have to be savvy enough to navigate those individual motivations and find what the common denominator is," continues Baker, who founded the Big Red Leadership Institute, Cornell's leadership

development program for student-athletes, and became its first director. More recently, Baker co-founded Athletics Leadership Consulting, which offers leadership development services for athletes, coaches, and support staff. "If you can recognize that and leverage it as a leader, it is a huge advantage."

Laura Georgianna, MBA '03, MILR '04, executive director of leadership programs at Johnson and the director of the Roy H. Park Leadership Fellows program, agrees, offering examples of how it plays out in the business world. "One of the most important things you can do as a leader in business is to understand what matters to people," she says. "Where do they see purpose? What motivates them? What are their key values? How do they like to be recognized? There are some people who love to be called up on stage at a sales

meeting in front of others, and there are those who would rather receive a really nice handwritten note that outlines the impact they had."

Motivating individuals also entails inspiring them on a daily basis. Thomas White, MBA '17, an investment banking associate at Moelis & Company was a captain for the Baylor University football team and a push athlete in bobsled afterwards. Success in both sports entailed working diligently toward long-term rewards — one more wind sprint in 108-degree heat in Waco, Texas; one more sled run in minus-35-degree conditions in Lake Placid. And that is something he taps into today.

"A big challenge of leadership is getting people to do the small, hard work over the long haul," he says. "Can you motivate people to be excellent on a day-to-day basis? On those boring days, whether training or

WIN OR LOSE, OLYMPIAN EFFORTS PAY OFF

For **Thomas White, MBA '17**, two years of work came down to less than ten seconds. Two years was the amount of time he spent training and perfecting the art of pushing a bobsled. Those ten seconds are a generous estimate of how long it took him to complete his performance — accelerating a more than 400-pound contraption while running on ice for 30 to 50 meters — before jumping in and putting his head down at the Olympic Trials for the 2014 Sochi Winter Games.

White's attempt to make the Olympic team in the four-man bobsled as a push athlete was not successful, but he has no regrets. He took in a lot of lessons along the way, including how striving for an audacious goal — even if you don't reach it — can prepare you for the world of business.

"What you learn is to control what you can control, such as your attitude and work ethic," says White, an investment banking associate at Moelis & Company who was a captain on the Baylor University football team before embracing the winter sport and is currently "Wall Street's Best Athlete"

Thomas White and his bobsled team in 2013

at work, how do you keep people energized so when our time comes to shine, we're ready?" White does so by acknowledging their small successes and talking about the big picture — keeping everyone focused on the end goal.

UNDERSTANDING IMPACTFUL FEEDBACK

Providing workers with performance critiques that will lead to their professional growth can also be motivating. Georgianna says the key is offering input that is specific, so team members know what to replicate.

"Often the feedback we give is too general," she says. "If you look at coaches or team leaders, they understand this. There's a big difference between someone coming off the field or out of a meeting and you saying, 'Good job' versus saying, 'The way you blocked that defender allowed

the offense to open up,' or 'In that presentation you just gave, when you told the story about X, everyone got it — they finally understood what we were talking about. You have a really good ability to use storytelling.'"

Remembering to provide positive feedback is another part of the equation. Abbi Hills, MBA '09, MHA '09, chief of staff for the Strategy & Operations cloud practice at Deloitte Consulting, and a former captain for the Stanford University women's lacrosse team and assistant coach for Cornell's women's lacrosse, says she learned this especially as a coach. During a string of Big Red wins, the coaching staff focused so much on continuous improvement that they didn't properly celebrate the hard work that led to the victories. The captains brought this to the coaching staff's attention, leading to a more

"NOW,
WHENEVER I CAN,
I RECOGNIZE MY
TEAM FOR THEIR
HARD WORK."

**Abbi Hills, MBA
'09, MHA '09,
chief of staff
for the Strategy
& Operations
cloud practice
at Deloitte
Consulting**

"WHAT YOU LEARN IS
TO CONTROL WHAT YOU
CAN CONTROL, SUCH
AS YOUR ATTITUDE
AND WORK ETHIC."

**- Thomas White, MBA '17, an
investment banking associate
at Moelis & Company**

due to winning the Wall Street Decathlon last year. "Then you have to be willing to accept what comes. If you do that, you can stomach the disappointment because you've done everything in your power. At some point, winning is giving your best effort, pushing yourself beyond what you imagined you were capable of, and then the results will fall where they may."

Elizabeth Mygatt, MBA '11, is another almost Olympian. After an All-American and NCAA-title-winning athletic career in crew at Williams College, she spent four years putting rowing above all else, training with other elite scullers in hopes of making the U.S. Olympic team in double sculls. She missed the cut.

"Going in, you've got to be okay with winning or losing," says Mygatt, associate principal at McKinsey & Company.

"There's a really good chance you won't be successful, but you still have to put everything out there and believe that what you're doing is worthwhile. You have to be into the process as much as the result."

At McKinsey, that translates into making sure her team members are recognized for their day-to-day successes. "Hard work takes effort, and I want to acknowledge that," Mygatt says. So she makes it a point to praise good work and note how it will contribute to a strong outcome.

Liz Mygatt after she won the Championship Women's Single event at the 2007 Royal Canadian Henley in St. Catherine's, Ontario

"IN STARTING AND EXPANDING THIS PRACTICE, VISUALIZING GOALS WAS ABSOLUTELY CRITICAL TO BEING SUCCESSFUL."

Justin Charise, MBA '07, founding partner at Saugatuck Financial

balanced approach.

Hills keeps that experience in mind to motivate those on her cloud team at Deloitte. "Now, whenever I can, I recognize my team for their hard work," she says. "We have an email communication called 'ring the bell' that we use to publicly acknowledge to the entire practice an individual or team's hard work and achievements. For a more personal or private recognition, we also have 'applause awards,' which are gift cards. Regardless, I try to make it a regular practice to show my appreciation, even if it is a simple text at the end of a long week saying, 'Hey, you rocked it this week, that was awesome.'"

BE YOUR WHOLE SELF, VISUALIZE YOUR SUCCESS, AND BE READY TO PIVOT

While the foremost aspect of learning to lead through sports comes from figuring out how to motivate people, Johnson alumni also cite developing teams without inhibitions, practicing visualization, and navigating change as important takeaways.

Elizabeth Mygatt, MBA '11, an All-American and team captain in crew at Williams College who spent four years competing internationally in double and quadruple sculls post graduation and now works as associate principal at McKinsey & Company, believes one of the most important things she learned through sports is the power of not holding anything back. "I think teams work best and are most successful when we bring our whole selves to them, whether in sports or at work," she says. "That was something that took me a little bit of time to remember

when I got to McKinsey. I realized, 'Oh, wait, that applies here, too.'"

Bonding with crew teammates meant sharing hopes, dreams, sorrows, and personal ambitions. She now does the same as a team leader at McKinsey. "The firm hadn't hired me because I fit into a cookie-cutter mold. They hired me because I was interesting and unusual and had gone after big things — so why not talk about it?" Mygatt says. "Now I share with people more about my background and my personal life — that I have a twin sister I'm really close with, how I love cats, and what I did on the weekend."

She explains that opening up in this way allows others to feel comfortable doing the same. That then helps people relax, bringing out more creativity, deeper communication, and less hesitation when offering a new idea. "It's also much more fun and fulfilling," Mygatt adds.

As captain of the men's lacrosse team at the U.S. Military Academy at West Point, Justin Charise, MBA '07, became well-versed in visualization, and he continues to use it in his career as a founding partner at Saugatuck Financial, a comprehensive financial planning firm based in Westport, Conn.¹ Along with fellow athletes at West Point's Center for Enhanced Performance, he was introduced to breathing exercises, relaxation techniques, and positive affirmations.

¹ Saugatuck Financial is a marketing name for Justin Charise in his capacity as a representative of Northwestern Mutual and is not a legal business name. Northwestern Mutual is the marketing name for the Northwestern Mutual Life Insurance Company, Milwaukee, WI, and its subsidiaries.

"The idea was to visualize myself being successful in lacrosse," Charise explains. "And I do the same thing today. Before client meetings, I spend time visualizing what I'll be discussing with them." He anticipates his clients' reactions and their questions and then uses that insight to be better prepared and make recommendations that resonate more deeply with clients.

Charise puts the practice into play for long-term planning, too. When he founded Saugatuck Financial, it was a small firm, but he envisioned what it would look like at each growth stage and the steps that growth would require. "In starting and expanding this practice, visualizing goals and where we were going was absolutely critical to being successful," he says. His practice has consistently been recognized as a leader among its peers, with 2018 being another record year.

One more takeaway from sports can be figuring out how to quickly change your game plan. "No game plan survives the first whistle," says Baker. "You start with a well-thought-out strategy but often change things up at halftime." Business leaders face similarly fluid situations — so flexibility and adaptability are key for them, as well.

"Often, we don't have all the information we would like and we're making best guesses," Baker says. To effect change, leaders need to inspire team members' trust — and that means laying the groundwork by building strong relationships and effectively communicating the reasons and goals behind the change.

Georgianna agrees, noting that you can't lay out every play you're going to do in advance of a game. "And in business,

BECOMING AN EXPERT

there's often not an answer in advance. Decisions and adjustments have to be made in the moment as a collective. You have to be comfortable with that ambiguity."

Leaders have to navigate through uncertainty when it appears that many paths may lead to the same goal. "Earlier in our careers, a lot of the answers are black and white," Georgianna says. "As we get to more senior roles within our organizations, answers become gray. There's not a right or wrong answer, just one that's better than the others. In order to get to answers in the gray space, you have to bring together diverse perspectives and the right combination of knowledge."

FOLLOW THE LEADER

Followership is an aspect of leadership that is critical to teamwork, though it often flies under the radar. Mygatt learned this in a big way while competing in double and quadruple sculls where she sat in the bow seat, requiring that she match the stroke of the stern.

"It wasn't my job to set the pace or the rhythm. It was my job to be totally in sync with the woman in front of me," she explains. "That requires letting go. I can think her recovery is too fast or too slow, but it doesn't do me any good to try to change it. I just need to be in lock-step with her, and that's how you make the boat sing."

And even though she leads more than she follows at McKinsey these days, Mygatt has a keen sense of when to again be the bow woman. "Just because I have a different idea doesn't mean it's necessarily better," she says. "If it's not going to change the outcome meaningfully for the better, sometimes it's best to let other people take the lead."

The best leaders know when to step back and ask other people to step up, says Georgianna. "On the field, whoever has the ball is the default leader and everyone else

During her time as a student and Roy H. Park Leadership Fellow at Johnson, **Jen Baker, MBA '12, MEng '13**, was not only immersed in learning about leadership through her classes. She was asked to develop leadership training for Cornell women lacrosse players as part of her job as the team's volunteer assistant coach.

"That was the first time I had been tasked with thinking about leadership in a structured, integrated way, and it made me realize that sports offers a proving ground for leaders," Baker explains.

From there, the former lacrosse standout at the U.S. Naval Academy founded the Big Red Leadership Institute, Cornell's leadership development program for student-athletes, and became its first director. And today, Baker serves as senior associate athletics director at Johns Hopkins University and recently co-founded Athletics Leadership Consulting. The group helps athletic departments start or enhance leadership development programs for student-athletes.

Her passion is to help athletes make the most of their proving ground and maximize their opportunity for learning leadership while they are still immersed in sports. "It's often not until many years after someone is done competing that they realize they were learning those lessons," she says. "A lot of the work I've been doing is to get people to advance that timeline, to raise their consciousness while they're learning it so they can maximize the experience."

is playing off of that person," she says. "In the professional environment, at the highest levels of leadership, the same thing happens. There is a constant shift on a continuum between leading and following. The most successful teams, the most successful organizations, are those that have a shared leadership model."

Whether you are the follower or leader in any situation, it all comes back to understanding the power of a team. "In

rowing, when everyone puts their blades in the water at the same time and drives at the same time, the blades leave the water and the boat is still whistling along," says Mygatt. "It's not about a single rower. Same with a team in business: It's never about the individual."

Eleanor Frankel is editor in chief of three Momentum Media Sport Publishing magazines: Athletic Management, Training & Conditioning, and Coaching Management.

PROFILE IN LEADERSHIP

Cyrus Taraporevala
MBA '90

PRESIDENT AND CEO OF
STATE STREET
GLOBAL ADVISORS



A servant leader imbued with a mission:

CREATING VALUE FOR CLIENTS

by Janice Endresen

Cyrus Taraporevala developed an abiding interest in finance early in life, when he spent many days on the busy floor of the Bombay stock exchange, watching trades and transactions and talking to his dad, an investor, about stocks. “Finance runs in my blood,” says Taraporevala, whose great-grandfather was also an investor. “Growing up, I thought I would work on Wall Street. I always had a pretty good sense I would do something in the world of finance.”

Taraporevala’s interest in finance has taken him to the top spot at State Street Global Advisors (SSGA), the investment management arm of State Street Corporation and a global leader with nearly \$2.7 trillion in assets under management, making it the third-largest asset manager in the world. Taraporevala is also a member of State Street Corporation’s management committee, the company’s most senior strategy and policymaking team.

Taraporevala became head of SSGA in November 2017 — remarkably, just one and a half years after he joined the firm as executive vice president and global head of product and marketing. “We knew from a succession-planning standpoint Cyrus could potentially replace [then-CEO] Ron O’Hanley,” says Kem Danner, senior vice president of human resources at SSGA. “He had all of the traits we were looking for in a leader and brought a lot of experience to the table.”

An industry expert in asset management with more than 27 years of experience, Taraporevala held prior leadership roles in asset management at Fidelity, BNY Mellon, Legg Mason, and Citigroup. Prior to that, over a period of 14 years, he was a partner in the financial institutions practice of McKinsey & Company, based in New York and Copenhagen.

Now, at State Street, Taraporevala says he is “blessed to be leading a company with a wonderfully inspiring mission: investing responsibly to enable economic prosperity and social progress.

“We’ve been entrusted with an enormous sum of clients’ assets,” continues Taraporevala. “Whether it’s helping people retire with dignity, helping sovereign wealth funds power their nations’ progress or endowments and foundations fund their research and advance social causes, I try to remind myself and my team all the time: Investing responsibly while keeping our clients’ goals in sight, understanding their issues and how they think about the world, and ensuring we deliver against our mission — that is our noble focus and our *raison d’être*.”

AS PRESIDENT AND CEO, TARAPOREVALA IDENTIFIES 3 AREAS AS HIS KEY RESPONSIBILITIES:

- ensuring that we are delivering the investment performance as expected by our clients
- continuing to deepen our relationship with clients and prospects and growing our business by serving their needs
- nurturing an environment that attracts, motivates, and retains the best diverse talent in the industry

A SERVANT LEADER

“I like to think I’m a servant leader,” Taraporevala says, referring to a concept introduced by Robert Greenleaf in *Servant Leadership: A Journey into the Nature of Legitimate Power and Greatness*, a book a colleague gave him early in his career. “It’s a listener style. It’s very much wanting to get all the input and reach consensus.”

At the same time, “part of being a leader is being decisive, closing ranks, and moving forward,” Taraporevala says. “It’s important to me to make sure the business is headed in the right direction.”

Danner describes Taraporevala’s basic approach to leading as “transparent and inclusive, while fostering an environment that is very learning focused and team oriented.”

Cyrus Taraporevala, MBA '90, president and CEO of State Street Global Advisors, at State Street's offices in downtown Boston, on the edge of the Financial District. In the background you can see the Federal Reserve Bank of Boston and, further on, Boston Harbor.

PHOTO CREDIT:
JOHN KENNARD

**“How do we
reinvent investing?”**

**‘What do we need to think
about as markets evolve?’**

**‘How do we serve our
clients even better
than we do today?’**

**I think about these
questions constantly.”**

— CYRUS TARAPOREVALA

“For Cyrus, opinions matter,” says Steven Lipiner, senior vice president and chief financial officer at SSGA. “He’s a listener. He’s very receptive to diversity of thought. He’s not interested in group think, and he’s willing to get consensus. But he’s not afraid to make a decision.”

Michel Rbeiz, COO of the Global Institutional Group at SSGA, agrees: “Cyrus is a great listener, very inclusive, but decisive,” he says. “He is nonhierarchical in problem solving, and he listens to the junior people in meetings and in town halls. At the same time, ‘almost all of the challenges that make it in front of him for a decision are tough to discern; clear and easy-to-deal-with issues don’t bubble up to the top,’” Rbeiz adds. “What I have noticed is that there is always a logical thought process behind decisions, which gives us conviction behind our actions.”

“When I think about Cyrus’s strongest leadership skills, it’s about asking thoughtful, unbiased questions to further the thinking of his team,” says Rich Compson, who heads the retail managed accounts at Fidelity Investments.

By making it clear that he considers and respects his direct reports’ judgement and authority, Taraporevala does more than inspire confidence; he also cultivates leadership in them and challenges them not to get lost in the weeds but to think about the bigger picture. “He leaves it to the advisers to deal with more minor issues,” says Lipiner. “It’s a reminder to all of us to get out of the trenches. In the corporate setting, there’s a tendency to fall back on what we have experience in. When you elevate to a position of higher responsibility, that’s where the focus has to be redirected. Because how else will you grow?”

CHANGING LANDSCAPE OF ASSET MANAGEMENT

“The markets never stand still,” says Taraporevala. “There are always new opportunities and new challenges.”

He speaks of the many changes asset management has seen in recent years, citing a massive rise of index investing and exchange-

traded funds (ETFs); the rise of technology that is “quite pervasive through our industry,” including trading algorithmically via robo-advisers; a massive change in demographics; and the “retirement income challenge,” including the shift from defined benefit pension plans to defined contribution plans where individuals shoulder the responsibility.

Meanwhile, the number of publicly traded companies has dropped by half, and IPOs aren’t picking up the slack. Market uncertainty due to geopolitical friction is on the rise, and investors must grapple with a complex and ever-evolving regulatory environment.

“We are pioneers in active management, indexing, and ETFs,” says Taraporevala. “But we can never be satisfied with the status quo. ‘How do we reinvent investing?’ ‘What do we need to think about as markets evolve?’ ‘How do we serve our clients even better than we do today?’ These questions are intellectually quite appealing to me; I think about them constantly.”

At a time when the asset management industry is facing challenges on multiple fronts, Taraporevala’s direct reports see him as an even-keeled and thoughtful leader who “faces challenges by first gathering all the facts,” as Lipiner says. At the same time, “He’s not afraid to factor in the intangibles,” Lipiner adds. “It’s not all about the numbers all the time.”

“What we appreciate a lot about him is that he likes to be knowledgeable and prepared in any situation,” says Danner. “He is a very curious person, an avid reader and learner as well. He never assumes he has all the answers. He brings a point of view to the table; he states what he knows and what he doesn’t know and needs to learn. When he asks questions, he actively listens.”

“Despite the industry going through a tough time, you feel like you have the right captain to steer the ship,” says Rbeiz. “Cyrus projects an air of certainty, a quiet confidence. He consistently takes the time to understand the issue, solicit different viewpoints, and ultimately, he will ask a question or make a comment that cuts to the core of the issue. Even when he disagrees with you, he will take you on the journey and explain why a certain decision has been made. It’s one of his strengths.”

He can also be funny, says Danner. “I think a lot of people know that.”

His well-timed sense of humor has deep roots. “In my misbegotten youth,” Taraporevala says, “I used to be an actor. Mostly on stage, but at one point I did 26 episodes of a college-life television serial in India — something along the lines of ‘Beverly Hills 90210.’ Drama, comedy — it had it all.”

Rbeiz recounts an instance of Taraporevala using humor effectively at work: “At a recent senior leadership meeting, Cyrus wanted us to think carefully about positioning ourselves for any fu-

ture dislocation in the financial markets — and he wanted to do this without causing too much angst. To effectively convey this message and help the organization prepare, he used a ‘Game of Thrones’ analogy to illustrate his point. This got a laugh out of the leadership team, but it was also incredibly effective at mobilizing the troops.”

Noting Taraporevala’s skill as an engaging and effective storyteller, Compson says: “I think this is where his acting background comes in, and it’s very engaging. He thinks about his speech or the information he wants to convey and how to put it in a story so that it will be interesting and people will remember it.”

ENVIRONMENTAL, SOCIAL, AND GOVERNANCE ISSUES: A FOCUS ON VALUE VS. VALUES

Taraporevala wrote and spoke eloquently about climate risk in his address to 450 investor, business, and capital market leaders at the Investor Summit on Climate Risk at the United Nations headquarters in New York on Jan. 31, 2018. His address, “Climate Risk: From Measuring to Mitigating Greenhouse Gas Emissions,” was published the same day on State Street’s blog. An excerpt follows:

We at State Street are concerned about climate risk because we believe it poses a material financial risk to our investments. We’ve all seen the headlines that 2017 was again one of the hottest years on record. It was also the costliest for the US due to weather-related disasters: hurricanes, wildfires, tornadoes and flooding. More than \$300 billion dollars in damages and losses. \$300 billion dollars — that’s 50 percent more than the nominal GDP of a European Union country like Portugal. Apart from the horrible human toll, just think of what that means in value destruction when it comes to supply chains and production losses. And that doesn’t begin to capture the cost of other climate-change-related disasters in other parts of the world.

So why do we care? Globally, in our index business, we are invested in over 10,000 listed companies. That makes us the quintessential long-term investor, providing quasi-permanent capital to these companies. As long as a company is in the index, we own it — we can’t make the S&P 500 the S&P 499. So as stewards of our clients’ assets, we have developed an active engagement program with our portfolio companies across a full range of environmental, social and governance issues that might impact long-term returns.

Taraporevala also stood up for index managers’ voting rights and made a cogent argument about the value of the perspective they bring as long-term shareholders in an April 16, 2018, blog post, “Vibrant Capital Markets Require Diverse Shareholder Base.” There, he also points to the impact of SSGA’s voice and vote, noting in particular

The power of mindfulness

One of the most challenging aspects of his job as president and CEO of State Street Global Advisors, Taraporevala says, is “balancing all the different, and sometimes conflicting, priorities and finding the time to think strategically, in the face of a thousand tactical issues that come at me every day.

“One of the dilemmas is there’s no typical day,” he explains. And yet, he says, “one thing I love about my role is that everything is extraordinarily different. I’m in and out of the office, working with different teams. A third of the business is outside of the U.S., so I probably spend about a third of my time on the road. That’s part of the joy of being a global company.”

Taraporevala has developed practices that help him to cut through the chatter and enhance mindfulness. “For quite a while I was test driving an app called Headspace,” he says, referring to an app that coaches users to learn to meditate and live mindfully. “I still try to use some of the principles, like breathing and mindfulness and letting one’s mind get emptied of some of the thoughts that preoccupy one’s mind most of the day.”

that, as a result of the message inherent in the Fearless Girl statue and State Street’s call on companies to increase gender diversity on boards, “more than 150 companies that previously had no female board members have appointed women.”

Environmental, social, and governance (ESG) issues such as these are important shareholder issues, Taraporevala says. And, as such, he believes it’s very important to clearly convey his views about them. “But it’s equally important, if not more important, to understand why we talk about these issues, because it gets to the heart of our mission and why we exist,” Taraporevala says. “Our engagement activities are driven exclusively by our goal to maximize and protect the long-term value of our clients’ assets. We’re not imposing values; this isn’t about morals or ethics. We’re focused on addressing the risks and returns of all of our portfolio companies.

“Environmental, social, and governance issues are a vital part of our engagement program and we think about them a lot. We firmly believe they should form part of an integrated approach to investment analysis, and we’re seeing more and more investors accepting that material ESG factors impact companies’ long-term financial performance.”

Tracee Herbaugh contributed to the reporting for this story.

JOURNEY

How recovery from loss transformed her life

By Linda Brandt Myers

Those who remember reading about Zhu Shen, MBA '98, in this magazine in 2008–09 may recall a radiant, confident young woman talking about the potential for biotechnological cures for cancer.

As founder and head of BioForesight, she linked investors with biotechnology opportunities in China.

Much has happened in her life since then — some of it devastating, some life-changing.

Zhu had met her husband, Changyou Chen, when she was a young woman studying medicine at Peking Union Medical College, a top-ranked medical college in Beijing, and he was in a doctoral program in molecular biology and genetics there.

They married soon after coming to the United States in the 1990s to further their educations. Zhu earned a PhD in biochemistry at the University of Colorado Health Sciences Center, School of Medicine, in Denver, then her MBA at Johnson, while Changyou

continued his research at the University of Colorado and Stanford University, seeking cures for cancer and becoming an established researcher in his field.

“He was considered a scientific genius by colleagues,” Zhu recalls, “and was legendary for having been the lead author on a *Science* magazine article and filing a patent while still in graduate school.”

The couple’s son, Perry, was born in 2000.

Zhu Shen and her husband, Changyou Chen, at his PhD graduation in biochemistry, University of Colorado Health Sciences Center, School of Medicine, Denver, 1995

Based in San Francisco, then San Diego, Zhu juggled parenthood with running BioForesight, while Changyou commuted from China, where he was a faculty member at several biomedical research institutes, working to find drugs that fight cancer.

But everything changed in 2006, when Changyou was diagnosed with cancer himself — a stage 1 squamous cell skin cancer growth on a finger.

Nevertheless, the couple was hopeful for a full recovery, and Changyou enjoyed four years of good health after surgery to remove the finger with the aberrant growth.

But his cancer resurfaced in 2010 in the form of a lump elsewhere that arose from metastasized cells. This time the outcome was grim.

“I had to put aside BioForesight to become my husband’s full-time caretaker as well as be an engaged and supportive mom to Perry,” Zhu relates. “You don’t know how much strength and resilience you have

Zhu Shen, MBA '98, in a field of flowers, a photo taken by her son, Perry Chen, on Mother's Day, May 13, 2018
PHOTOS COURTESY OF ZHU SHEN



Stills from *Changyou's Journey* by Perry Chen, son of Zhu Shen and Changyou Chen

until you are called upon to be strong for everyone.”

In 2012, Perry, then twelve, began to make an animated film about Changyou’s life, hoping it would inspire him to recover. Its theme was perseverance.

But when his father died in July of that year, “Perry became despondent and ready to abandon the project,” recalls Zhu. “He lost motivation and had to learn to overcome loss, trauma, and self-doubt, on top of the growing pains of adolescence.”

Zhu also was devastated by her husband’s death. Nevertheless, “I was determined to provide whatever Perry needed to heal and grow,” she says.

Mother and son worked diligently with a personal development coach, Walker Clark. “Over time, he became a trusted mentor, role model, and father figure to Perry,” says Zhu.

The result: “My son and I started to open up to each other and gradually build a relationship based on unconditional love and trust,” says Zhu. “It wasn’t easy, but it was life-changing to both of us.”

Perry went on to complete his film, *Changyou’s Journey*, which Zhu says taught him resilience.

And Zhu helped him find mentors that believed in and inspired him — among them Dean DeBlois, director of *How to Train Your Dragon* and its sequel for DreamWorks Animation studios and other Oscar winners and nominees from Disney and Pixar. Perry drew simple, evocative pictures of his parents and their life story that impressed DeBlois.

Zhu says that she drew on her MBA training at Johnson, particularly marketing classes with Professor Douglas

Stayman, to help produce and publicize *Changyou’s Journey*.

“What I learned at Johnson,” she says, “was invaluable in developing our overall strategy, finding sponsors and donors to help finance the film, build community online and off who were interested in Perry and his animated short, and promoting and publicizing the finished film.”

She also went on what she calls “an odyssey of my own.”

Introduced to daily meditation, she learned to look inward, rethink her priorities and gain a new direction, energy, and purpose for her career and life.

“I became the ‘Zen’ mom,” she says.

That led her to embark on a health and fitness regimen that included exercising, losing weight, and becoming more fashion-conscious. “I felt renewed, like I was in my 20s again, every day full of adventures,” says Zhu. “It was like a ‘second spring,’” she adds, evoking a well-known Chinese phrase describing someone going through positive transformation in middle age.

Perhaps most important, she succeeded in tapping into her own creativity. Inspired and aided by Perry, she has since become a filmmaker herself.

A Journey of a Thousand Miles, the documentary feature film Zhu has been making, is close to completion. It tells the story of how her son came to make his animated film and grew up in the process — “learning life lessons and overcoming challenges to become a fine young man, like his father, Changyou,” Zhu says. “Another parallel narrative is my own transformation along the way.”

The film evokes both the documentary style of the movie *Boyhood* and the heartening lessons of the animated features *How to Train Your Dragon* and *Up*, says Zhu.

“I want it to inspire other families who are going through challenges like we did, to see that hope endures through the darkest times in our lives,” she says.

Most significant to Zhu: “Perry has become my best friend and mentor. He teaches me filmmaking, and I teach him business. I’m humbled by his brilliance. Over time, he told me: ‘Mom, we have quite a story to tell.’”

This June, Zhu accompanied Perry to New York City’s Carnegie Hall, where he received a 2018 Scholastic Art & Writing National Gold Medal Award in film and animation and a New York Life Foundation Award — among the recent awards he has garnered for *Changyou’s Journey*. Zhu presented her son’s film at Cornell on June 9, during her 20th Johnson MBA reunion, at a special Sage Hall screening.

For more information about Zhu, Perry, and their films, go to www.changyous-journey.com.

Perry Chen and his mother, Zhu Shen, at the 2018 National YoungArts Week Cinematic Arts Program in Miami following the premiere of *Changyou’s Journey*

alumni AWARDS

JOHNSON'S BIGGEST NIGHT:

Big Red Bash brings together students, alumni, and honorees

At the Big Red Bash, a celebratory event held April 24 in New York City at Guastavino's restaurant, Johnson alumni and current students gathered to honor four exceptional members of the Johnson community — this year's alumni award recipients. The evening kicked off with an introduction by Dean Mark Nelson, who gave an overview of the school's newest programs and dove into the main event of the night — the awards ceremony.

"This is a wonderful event and it's one I look forward to every year. I've been on the Johnson Advisory Council for almost 20 years, and I keep coming back because I really enjoy it," said John Alexander, '74, MBA '76. "I'm an alumnus who has never escaped the gravitational force of Ithaca and Johnson. The mix of people that are here and the opportunities to connect with people who have done things that I have never even thought about are incredible — that makes giving back to the school so rewarding."

On these pages you'll find photos of the gala event and stories about each of the honorees.

— Maria Minsker '13

BUILDING STRONG BAY AREA CONNECTIONS

Under the leadership of club president Richa Sood, MBA '12, the Johnson Club of the Bay Area has held more events and attracted more alumni than any other Johnson regional club except the Johnson Club of New York City. Whether the event was a panel discussion featuring alumni thought leaders on a hot topic like fintech, a rare in-person gathering of Executive MBA Americas graduates, a happy hour at a local brewery, or a Trifecta reception connecting alumni with current and newly admitted students, attendance has regularly exceeded expectations.

The club aims to create thoughtful engagement opportunities that attract graduates of all Johnson MBA programs — residential and executive. Surveying alumni to understand their preferences, developing comprehensive annual event plans, and cross-promoting events with other Cornell clubs in Northern California

RICHA SOOD, MBA '12

president, Johnson Club of the Bay Area

**2018 Henry P. Renard '54, MBA '55
Regional Club of the Year Awardee**

— these are all key components of the Bay Area club's success, says Sood, group product manager and head of category expansion at Shutterfly and club president since 2015.

She gives credit to fellow board member Rishi Sood, MBA '12, global lead for sales development and operations at LinkedIn (and also Richa's husband), as well as two new board members she recruited: Boris

Pavlovic, MBA '14, head of the executive briefing program at DocuSign, and Prakash Nagpal, MBA '00, a vice president at Infoblox. Together, they come up with programming ideas, then each takes the lead on individual events.

In recognition of club leaders and members for the innovation, creativity, and diversity of their programs, total number of events hosted, and percent of local alumni who attend, the Johnson Club of the Bay Area was honored with the 2018 Henry P. Renard '54, MBA '55 Regional Club of the Year Award at the Big Red Bash.

"This award is testament to the fact that our alumni are engaged," said Richa.

Richa's own positive experiences with local alumni when she was a newcomer to San Francisco motivated her to lead the club. "I want people who move to the Bay Area to know they can find and get plugged into a robust community," she said.

— Amy DerBedrosian

BREAKING BARRIERS WITH CONFIDENCE AND CREDENTIALS

Anne Estabrook '65, MBA '66, is used to being the only woman in the boardroom — and she has never let that intimidate her. As an undergraduate student at the Cornell School of Industrial and Labor Relations, she always knew she'd eventually take over from her father in running Elberon Development Group, the New Jersey-based industrial real estate and construction business he founded. But before joining the company, Estabrook was determined to pursue a business education.

"I wanted to get an MBA, but my father was opposed to me trying to enroll in a program that would take two extra years. He wanted me to hurry up and graduate and come work for him," Estabrook says. So she double-enrolled and completed her undergraduate education and her MBA in five years. "When my father came up for graduation, the buttons were popping off his suit," she recalls. "I was the first in my family to go to college, and now I had two degrees."

Estabrook says Johnson not only prepared her for a career in the industrial real estate space but also taught her how to be a leader and make her voice heard. In addition to running the family business, Estabrook has served on the boards of multiple New Jersey banks and was often the only woman in an all-male group of decision-makers.

"Having the education, confidence, and credentials has enabled me to get my foot in the door," she says. "Once I got in the door, I wanted to make a difference." And she has made a difference: Estabrook became the first woman to chair the New Jersey State Chamber of Commerce and the first female president of the New Jersey chapter of the National Association of Industrial and Office Properties (NAIOP) — an organization for which she became the national chair in 2001.

Estabrook has been generous with her time and expertise in giving back to Cornell, too. A Cornell Presidential Councillor and

ANNE ESTABROOK '65, MBA '66 2018 L. Joseph Thomas Leadership Awardee

Foremost Benefactor, she served on the Cornell Board of Trustees for ten years and is also a member emeritus of the Johnson Advisory Council, President's Council of Cornell Women, and the Baker Program in Real Estate.

Her biggest contribution, Estabrook says, came when she chaired the building and properties committee of the Cornell Board of Trustees. Drawing on her immense experience in real estate and construction, she helped oversee the reconstruction of Sage Hall. "It was a long, expensive, and complicated effort, but in the end the building was a beautiful combination of old and new and everyone was pleased," Estabrook says. Once the restoration was completed in 1998, Johnson, having

outgrown its home in Malott Hall, moved to Sage.

As CEO at Elberon, Estabrook says she regularly thought back to what she learned at Cornell and Johnson, constantly applying both the practical and the soft skills she gained. "From accounting to management and leadership, it was all crucial. Every little lesson was important," she says. This is a big reason why Estabrook has remained so involved with Johnson many years after graduating: She considers it her responsibility to give back.

Today, Estabrook is chairman of Elberon and advises her son, who is now president and CEO. As a Cornell Trustee Emeritus, she also continues to be involved with Johnson. Empowering women is an area Estabrook is particularly passionate about, so she enjoys mentoring female students and offering career guidance. "Giving back means giving time, not just money," Estabrook says. "And as alumni, we get a lot out of it as well. It's important to stay in touch with the professors and keep up with the new things that are being taught in the school. That knowledge helps all of us in our business careers."

— Maria Minsker '13

Alumni Awards honorees at the Big Red Bash (left to right) Hirschel Abelson '55, MBA '56, Anne Estabrook '65, MBA '66, Richa Sood, MBA '12, and Jamey Edwards '96, MBA '03

BOLD INNOVATOR

Jamey Edwards '96, MBA '03, knew he wanted to become an entrepreneur from the moment he finished his first business plan as an undergraduate student in Professor David BenDaniel's Entrepreneurship and Personal Enterprise course. That's why, when it was time to choose a business school to attend, his choice was clear: He had to return to Ithaca and pursue his MBA at Johnson.

Edwards enrolled in BenDaniel's Entrepreneurship and Personal Enterprise immersion, where "Professor BenDaniel taught us that it was possible to take an idea and make it into reality. He laid out the framework for that," Edwards says.

At Johnson, Edwards developed a passion for healthcare and set out to build a company that would change the way patients and doctors interact. The rest, Edwards says, is history — he went on to co-found Cloudbreak Health, a company that enables doctors to make remote diagnoses, and today, he's the CEO.

JAMEY EDWARDS '96, MBA '03

Robert J. Swieringa Young Alumni
Service Awardee

Once a nervous public speaker cautious about sharing his ideas, Edwards says his Johnson upbringing shaped him into the bold innovator he has become. "Johnson students are smart and hardworking, yet unpretentious. Constantly working in teams with such individuals helped me get there as well. I attribute a lot of my success to the work ethic and leadership skills that I gained at Johnson. I'm very grateful," he says.

That's why Edwards continues to give back to the school. After graduating, he served as president of the Johnson Club of Southern California for seven years, working with members and volunteers to create engagement opportunities for alumni. He has served as a member of the Cornell Alumni Admissions Ambassador Network (CAAAN) since 2011, including a stint as CAAAN committee chair. He provides consistent support to the Johnson and Cornell Annual Funds. A guest speaker at many Johnson events over the years, he regularly returns to Ithaca to address current students. When students approach him with questions about the healthcare space, he says, "No matter how busy I am, I try to make time for those conversations, because I remember what it was like.

"I know the impact that the school has had on me, so in my mind, there's no better place to give your time and money," Edwards continues. "I want to give people the opportunity to have the same types of experiences that I had."

– Maria Minsker '13

A CHAMPION FOR CHANGE

Hirschel Abelson '55, MBA '56, co-founder and chairman of investment firm Stralem & Company, has long been a champion for younger generations. As a businessman and an engaged alumnus, Abelson empowers employees at his firm as well as Johnson students, setting them up with environments and resources that enable them to thrive, even if it requires shaking up the status quo.

Shortly after receiving his MBA in 1956, Abelson joined financial services firm Ladenburg Thalmann, where he remained for ten years, eventually becoming partner in corporate finance and economic adviser. In 1966, Abelson moved on to co-found Stralem & Company, serving as president, chief investment officer, portfolio manager, director, and now, chairman. Although his has been a lifetime of leadership, Abelson says that one of the most rewarding aspects of his career has been to step aside and trust others to take the reins.

HIRSCHEL ABELSON '55, MBA '56

Samuel C. Johnson Distinguished
Service Awardee

Back in 1999, when the stock market soared to form the bubble that would eventually lead to the dot-com burst of the early 2000s, Abelson tasked a fairly green team of researchers with identifying why the firm's up-market to down-market ratios were "becoming out of whack." Surprised by the responsibility, yet up to the challenge, the team returned not only with a diagnosis of the problem but also an executable solution that Abelson then asked them to implement. "I gave them an A+ and told them to go put it into action. I

was impressed at how fearless they were when they were given a chance," he says.

Abelson has been equally bold in his service to Johnson. He has served on the Johnson Advisory Council, been a Cornell University Council life member, a member of the Cornell Club of New York as well as the Cornell University Alumni Association of NYC. He has been named a Foremost Benefactor, bestowed upon individuals who have provided exemplary service to the university and contributed a significant amount of financial support to Cornell.

Today, what inspires Abelson most about Johnson is how dynamic it is. "Johnson is this living, breathing institution that adapts to what's going on in the world and anticipates changes. It's wonderful to see," he says. The Cornell Tech campus in New York is a great example of how the school is investing in the future, he says: "When I was in school, it was all about manufacturing. Then the focus shifted to marketing, then finance. Now it's all about digital, and Johnson is on top of this change."

– Maria Minsker '13

AN URBAN FARMER AIMS TO ADDRESS FOOD INSECURITY

Last year, Harlan Blynn, MBA '10, was reorganizing papers in the office of his Denver-based consulting firm, Certain Rivers Strategic Marketing Services, when he stumbled across his Johnson admissions essay about urban farming. After rereading it, he suspended his management consulting practice to launch a new startup — an urban farm in Denver.

A lifelong gardener and already a successful entrepreneur, Blynn decided that he wanted to apply his expertise and experience in management consulting to something close to his heart: growing food on urban farmlands to combat food deserts. According to a 2017 report, *Uncharted Food Access: Tackling Food Deserts in Denver*, nearly half of moderate- and low-income neighborhoods in Denver lack access to a full-service grocery store, and one in six families suffer from food insecurity. Blynn launched Topping Out Farms, an urban farm in the heart of Denver, to serve these communities.

"I came up with the idea for Topping Out Farms by coupling the problems of food deserts with my personal passion of growing things and feeding people," Blynn says.

The Denver Green Roof Initiative was also an important impetus for Topping Out Farms and, through its repurposing of urban rooftops into viable farmland, Blynn envisions combatting food deserts from directly within the city center. The initiative, which took effect Jan. 1, 2018, requires any building with a gross floor area of 25,000 square feet or greater to



A signature product: Topping Out Farms' fresh young microgreens

or this mandate is to create a more climate-friendly environment and reduce Denver's notorious urban heat island (UHI) effect. Green roofs can reduce energy consumption, help to manage storm water, create biodiversity for animals and, of course, host gardens and farms.

"Farming is one of the unintended benefits that will create a positive net present value for the Green Roof Initiative," Blynn says.

Before launching Topping Out Farms, Blynn developed his minimum viable product by growing microgreens (young, leafy vegetables) in both his backyard and his basement, packaged them in Ziploc bags, and sold them to friends and family and via word of mouth. Once he confirmed that his product was selling, he signed a lease and moved into his indoor farm, where he has been growing greens since Feb. 7. He'll join Denver's Union Station Farmers Market as a vendor beginning May 12 and expects to announce his first rooftop farm soon. When he ramps up production at his indoor farm and on rooftop gardens, Blynn intends to distribute and retail his microgreens within the underserved markets of Denver.

"I'll have a greater impact on my larger initiative, which is not just to grow food, but to eliminate the nutritional gaps and the related issues that happen in food deserts," Blynn says. With that larger goal in mind, he is engaging with local food desert communities and talking to local champions to better understand how they perceive the issues around food access and understand how urban agriculture fits into their culture, he says.

Blynn participated in the Sustainable Global Enterprise immersion at Johnson and says he still draws daily on what he learned by using profit-driven, sustainable business practices to connect communities to a new food culture. He hopes that the knowledge he applies to Topping Out Farms will serve as a framework for others who may look to launch farms in urban communities.

"I view the [future] growth as something that will not necessarily come from my direct work, but more from franchising-type operations where I bring not only the skill set and knowledge of how to do it, but also a deeper understanding of how to make a farming operation profitable," Blynn said.

— Stacey Blansky '20



Farming is one of the unintended benefits that will create a positive net present value for the Green Roof Initiative."

— Harlan Blynn, MBA '10
FOUNDER, TOPPING OUT FARMS

SWITCHING IT UP

Making the move from Texas' ExxonMobil to Singapore's landmark Marina Bay Sands

For Bob Harayda, MBA '85, one of life's bigger decisions, professionally and personally, was switching industries — from an extensive career in the energy sector to starting afresh in the hospitality field to help build a global tourism icon.

And that switch involved another big move — from Texas to Singapore, with his British wife and their two children.

With a career spanning some 20 years at ExxonMobil, Harayda had been based in the U.S., U.K., Thailand, and Singapore. He returned to the United States in 2003 and was eventually named global controller of ExxonMobil Production Company, the corporation's largest division, based in Houston.

But then he and his family decided to try something new. Through a recommendation from someone in his personal network, he learned of an opportunity as CFO of Singapore's Marina Bay Sands, a landmark integrated resort in the heart of the city-nation.

"I went from a very mature company, with an engineering culture — long-lead projects, extensive analysis, very disciplined — to a far newer company, in hospitality, that's very customer and marketing focused," says Harayda, describing the transition from ExxonMobil to Marina Bay Sands.

In addition to the career opportunity, the decision was based on the cultural and travel opportunities in Asia and the chance for their children to experience a truly international city.

His education background was also vital to his career decisions. "My Johnson MBA was critical to getting my start in the corporate treasurer's group of ExxonMobil in New York," he says. "I participated in the international study program that Johnson offered with Katholieke Universiteit Leuven in Belgium." Indeed, that year in Belgium seemed to cement his desire to have an international career.

Harayda has been fortunate to experience almost the entirety of a project that would become a world-famous destination.

My international experience has also reinforced the value of diversity. Diverse teams really do seem to be higher-performing teams."

— Bob Harayda, MBA '85

Immediately after he joined in early 2007, Marina Bay Sands broke ground for the construction of the \$5.6 billion (U.S.) integrated resort that includes Singapore's largest hotel with over 2,500 rooms, restaurants, a convention center, shopping mall, casino, theaters, a museum, and of course the breathtaking Sands Skypark.

The international profile of Marina Bay Sands involves hosting movie premiers and liaising with brand ambassadors like David Beckham. It is the variety that Harayda especially enjoys. "It was particularly gratifying to see this development progress from architectural drawings and models, through construction, to opening and full operation. The move far exceeded my expectations in terms of the breadth of responsibilities, the excitement of the integrated resort business, and the impact that Marina Bay Sands has had in the Singapore community and beyond."

His current work focuses on capturing efficiencies via automation and data

analytics, ensuring strict compliance with evolving regulations, and developing talent for the finance team. He also meets with business and government delegations in Singapore and Japan. "Our parent company, Las Vegas Sands Corporation, remains interested in development opportunities in Japan if the legal framework is established to allow integrated resorts to operate there," he says.

With a career that has crossed cultures and industries, Harayda believes it's important to develop employees' talents and keep them current on technology.

"My international experience has also reinforced the value of diversity. Diverse teams really do seem to be higher-performing teams," he adds.

In his leisure time, Harayda enjoys sailing, skiing in the French Alps, and actively participating in Singapore's business community.

— By Lu-Hai Liang

// CLASS OF '74**HAKIM FEERASTA, MBA**

'74, MPS '85, was honored by the Canadian Race Relations Foundation (CRRF) as a remarkable Canadian in "150 Stories: Celebrating Canada's Sesquicentennial." Hakim and his wife, Nilofer, settled in Toronto in 1974, "almost immediately becoming an integral part of the diverse and pluralistic Canadian society," reads the article about him on CRRF's website, which also notes: "While working with IBM Canada, Hakim was recruited by the Aga Khan Foundation (AKF) in 1978 to lead its operations in Pakistan and in 1994 was sent to Tajikistan to head AKF and later serve as the Aga Khan Development Network's diplomatic representative there. ... Hakim was born in Myanmar in a Gujarati-Kutchi family and lived in Bangladesh, Pakistan, and the USA."

// CLASS OF '81

ALNOOR BHIMANI, MBA '81, is chair of management accounting and founding director of LSE Entrepreneurship at the London School of Economics. In a recent interview on the Enterprise Podcast Network, he discussed the ideas he presented in his most recent book, *Financial Management for Technology Startups: A Handbook for Growth* (Kogan Page, 2017), including how financial management for tech startups requires a new mind-set.

// CLASS OF '98

HERNAN SAENZ III, MBA '98, MILR '98, a partner at Bain & Company, was appointed to lead the firm's global performance improvement practice, which is "focused on helping clients deliver on their strategic goals through cost transformation and operational excellence," notes the press release announcing his new role. "A major focus for the practice will continue to be the deployment of digital and advanced analytics tools to fundamentally disrupt and transform industry cost structures." Hernan remains based in Dallas. He is also a visiting senior lecturer of management and organizations at Johnson.

// CLASS OF '04

ROSANNA CAVANAGH, JD '04, MBA '04, is a co-founder and partner at O'Brien Cavanagh Ivanova LLP, where

she concentrates in trusts and estates, nonprofit, small business, and real estate law. She writes that she and her two partners "worked together at a leading international law firm, where they honed their skills in client service. In 2016, they decided to set out on their own with the goal of giving clients individualized, thoughtful legal services at a reasonable price. They aim to listen carefully and then address their clients' legal needs in a clear, concise, effective manner." The firm has offices in Boston, Lexington, and Providence.

MONDRELL MOORE, MBA '04, recently moved from Atlanta to California to join Dimensional Fund Advisors' Santa Monica office as a regional director.

// CLASS OF '07

ENZO VILLANI, MBA '07, managing director of the Transform Group, a blockchain and ICO PR and advisory firm, was appointed chairman of Delaware Board of Trade Holdings' (DBOT) new advisory board, the organization announced in May. The new advisory board consists of leading industry executives from Wall Street and the blockchain community. Enzo has over 25 years of high-impact strategy, brand, financial communications, and merger and acquisition experience. Prior to Transform, he was CEO of Equities.com, the world's largest middle-market and emerging growth company content publisher.

// CLASS OF '08**JAMES A. PROFESTAS,**

MBA '08, married Christina Vlahos on August 26, 2017, in Port Washington, N.Y., the hometown of the bride's family. Alumni attending the wedding included classmates Justin Amero, Gene Ekster, Wei Feng, Binyam Giorgis, and Aditya Kapoor, all MBA '08; Gerasimos Efthimiatis, MBA '03; Peter Pefanis, MBA '09; Brendan Burns '09, JD '12, MBA '12; Marios Hatzikyriakou, MBA '15; Katie Bartels '06; and Professor Risa Mish.

// CLASS OF '09

KRISTEN RAINEY, MBA '09, food acquisition and sustainability leader at Google, spoke at Food Tank's Seattle Summit, "Growing Food Policy," on March 17, 2018. Kristen leads Google's procurement strategy to source all the

food and beverages served to Google's employees in their 244 cafes across 55 countries. She also manages sustainability efforts for Google's food programs, focusing on food waste prevention and plant-forward diets.

HILARY LASHLEY RENISON '05, MENG '07, MBA '09, senior manager, product analytics at GE Global Research, was named to the Albany Business Review's "40 Under 40" list in recognition of her business acumen, leadership skills, and community involvement.

// CLASS OF '11**AARON GODERT, MENG '05, AND CHARLIE MULLIGAN, BOTH MBA**

'11, announced in January that their startup, GiveGab, a fundraising and engagement platform for nonprofits, acquired Kimbia, a fellow leader in everyday fundraising and giving days. GiveGab cultivates relationships between nonprofits and their supporters by providing online fundraising, donor management, supporter engagement, and giving day events. Charlie and Aaron began collaborating on the idea as MBA students, and their company was one of the first members of Rev: Ithaca Startup Works, the Ithaca business incubator supported in part by Cornell. Their board of directors includes former Cornell president Hunter Rawlings.

MARLON NICHOLS, MBA '11, co-founder and managing partner at Cross Culture Ventures, an early-stage venture capital firm with a focus on cultural investing, was named Innovator of the Year by MVMT50, a coalition of black thought leaders committed to sustained and systematic improvement in employment diversity, cultural representation, and leadership development in the innovation, technology, and digital sectors. MVMT50's Innovator of the Year award, announced March 7, recognizes leaders that are pushing the needle forward and using innovative solutions to drive minority economic growth.

JUSTIN SHUMAN, MBA '11, writes that he is "serving on a philanthropic committee seeking to raise \$26M to restore Philadelphia's First Bank, which was founded by Alexander Hamilton and is the

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A

THE JOHNSON CLUB OF CHINA CELEBRATES ITS 10TH ANNIVERSARY

In 2008, Geoffrey Lim and Charlotte Ye, both MBA '00, launched a vibrant new community: the Johnson Club of China, in Beijing, Hong Kong, and Shanghai.

A lot can happen in ten years, and many changes have taken place in the decade since 2008. In that year, Barack Obama became the 44th president; stock markets plunged around the world due to fears of a U.S. recession; China hosted its first-ever Olympic Games; and one Satoshi Nakamoto published “Bitcoin: A Peer-to-Peer Electronic Cash System.”

For Geoffrey Lim, MBA '00, 2008 marked the launch of an important new community: the Johnson Club of China. This regional alumni club has been very active since its inception and celebrates its tenth anniversary this year. For Lim, both Johnson and the Johnson Club of China hold a special significance.

“It has something to do with history,” he says. “Prior to the '80s, very few Chinese students studied abroad, as the country

B

was recovering from the aftermath of the Cultural Revolution.” After that, Lim explains, a growing trickle of Chinese students began to study in the United States, but most pursued majors in engineering and science.

“A degree in business? Back then, in the '80s and '90s, a BBA or MBA would be frowned upon,” Lim says. Business degrees were simply not valued in China at the time. “Hence, only a handful of students could be found in business programs in 1998, which was when Charlotte Ye [MBA '00] and I enrolled in the Johnson School.”

At the turn of the millennium, the class of 2000 was the first to be housed in Sage Hall, a newly refurbished, state-of-the-art facility. “One look at Sage Hall back then and your heart would melt!” says Lim.

After graduating and returning to China, however, Lim says the connection with Johnson went from overwhelming to “completely underwhelming,” as the alumni pool was still extremely small: “There were zero Johnson activities in China,” he recalls.

But by the middle of that first decade of the millennium, as the alumni pool grew, Lim thought it made sense to create a Johnson Club of China with chapters in Beijing, Hong Kong, and Shanghai. He envisioned a unified club under national

leadership. Following a year of discussions with Cornell, Johnson alumni staff, and Johnson Dean Joe Thomas, Lim formally founded the Johnson Club of China in December 2008, with the close support of Ye in Beijing and Sean Alexander, MBA '01, in Hong Kong. The Shanghai chapter was added later.

Since then, the Johnson alumni family in China has grown from fewer than 70 alumni to about 400 members — a growth rate rapidly accelerating as new alumni graduate from the Cornell-Tsinghua MBA/FMBA, launched in 2015. And the Johnson Club of China has organized more than 60 events in the three cities, with two to four events per city every year. These include Trifectas, which bring alumni, new graduates, and current Johnson students together; Thought Leader series speakers; the annual Chinese New Year hotpot and karaoke; coffee chats with prospective Johnson applicants; internship and career seminars for current students; whisky tastings; hiking trips; and visits to Beijing's Forbidden City. The club has also hosted formal events in honor of visiting Cornell leaders, including the university president, Johnson deans, and faculty members.

Karin Chu Hernandez, MBA '11, leader of the club's Hong Kong chapter, says she really enjoys it when faculty fly out to Asia to visit and when Cornell alumni leaders in Asia get together for the annual Cornell

A: Geoffrey Lim, MBA '00, founder and first president of the Johnson Club of China, speaking at the 10th anniversary celebration in Beijing on July 6, 2018

B: Dean Mark Nelson speaking to members of the Johnson community at the Johnson Club of China's 10th anniversary celebration in Beijing

Asia-Pacific Leadership Conference. “You really do feel the school spirit,” she says. “It’s all about bringing back all the fond and positive memories from Cornell and reliving them.”

After ten years, Lim will be stepping down, and Frank Liu, MBA '09, who is based in Beijing, will take the reins as the new national leader of the Johnson Club of China. Hernandez and Zhou Zhen, MBA '11, will be his co-leaders in Hong Kong and Shanghai.

“I feel very honored and a bit nervous taking over a leadership role in this club,” says Zhen, who has headed up the Shanghai chapter for the past three years and will now step up his co-leadership duties. He looks forward to building an even more closely knit club and hosting more events for alumni, adding value where he can.

Lim is grateful to all the support that Johnson leaders and Alumni Affairs staff have provided over the years. “No part of what we’ve accomplished would have been possible without the help or support of Dean Joe Thomas, who was there at the Johnson Club of China’s inauguration, and now again as we celebrate our tenth year; former dean Soumitra Dutta, who supported the Johnson Club of China for the longest duration; and Alumni Affairs director Sara Address, who has worked with us for nine years and accounts for the lion’s share of operational support we

Over the past ten years, the Johnson alumni family in China has grown from fewer than 70 alumni to about 400 members — a growth rate rapidly accelerating as new alumni graduate from the Cornell-Tsinghua MBA/FMBA.

have received from the school — especially through her weekends and nights, given the 12-hour time difference between Ithaca and China,” Lim said.

In her turn, Address credits Lim and all the Johnson Club of China leaders for building such a vibrant and active alumni community in China. “Because of the support of our very committed volunteers, we engaged 47 percent of the alumni base last year,” says Address, now senior director of Alumni Affairs for the Cornell SC Johnson College of Business. “I recently visited with alumni leaders in Hong Kong,

and I am incredibly impressed by their dedication, excitement for engaging fellow alumni and students, and commitment to growing the school’s brand within China,” notes Address. “Creating a strong sense of community and school pride excites alumni and inspires them to host and attend events. They give back to the school by demonstrating the value of the Johnson MBA for prospective students and educating current students about the strength of the Johnson and Cornell networks.

“The strong foundation that leaders of the Johnson Club of China have created and fostered over the past ten years is especially important as the school continues to invest in the Cornell-Tsinghua MBA/FMBA program,” Address adds. “As the school’s footprint in China continues to grow, our alumni community in China continues to grow, too.”

The Johnson Club of China hosted a ten-year anniversary gala to celebrate its important milestone at the Grand Hyatt in Beijing on July 6, 2018. Dean Mark Nelson and Alumni Affairs director Sara Address joined more than 60 alumni and current students enrolled in the Cornell Tsinghua MBA/FMBA to mark the occasion.

— By Lu-Hai Liang

Lu-Hai Liang is a business journalist in Beijing, China.

C

C: (left to right) **Frank Liu, MBA '09**, the new national leader of the Johnson Club of China, **Geoffrey Lim, MBA '00**, the club’s founder, **Zhen Zhou, MBA '11**, club co-leader in Shanghai, and **Gavin Zhang, MBA '10**, club officer in Shanghai

D: New Cornell-Tsinghua MBA/FMBA students **Jiangqing Huang, Xiaohe Zhang**, and **Zuoling Qin, all MBA '20**, enjoyed meeting other students and alumni at the Johnson Club of China 10th anniversary celebration in Beijing on July 6, 2018

D

PHOTO CREDITS: PHILIPPE BOURGEOIS

predecessor to today's Federal Reserve Bank. Once restored, the First Bank will be used to tell the story of the creation of the U.S. financial system." The effort has garnered media attention, including an article in *The Philadelphia Inquirer*, "Hamilton fans seek \$26M to restore Philly's First Bank, Fed forerunner" (Nov. 10, 2017). Learn more at friendsofindependence.org/first_bank. Justin is an assistant vice president for business development at Avalon Healthcare Solutions, a healthcare technology and services company focused on managing outpatient lab spend.

CLASS OF '14

CHRISTINE MONJER, MBA '14, executive director of entertainment marketing at MGM Resorts International, was featured in an ESPN.com article about her marketing efforts on behalf of the WNBA's newest team, the Las Vegas Aces: "Christine Monjer's cool job: Las Vegas Aces head of marketing" (April 11, 2018). Christine's role at MGM includes overseeing touring shows, residency shows, and special events, an umbrella that includes the Aces, the article notes.

CLASS OF '16

MATT LABERGE, MBA

'16, writes that he joined Deloitte Canada as a senior manager in the recently created economics and assets advisory practice. While based in the Ottawa office, Matt offers economics and policy consulting services nationally. Before joining Deloitte, Matt was director of policy in the office of the Canadian Minister of Families, Children, and Social Development. Matt has also served as chief economist at the Canada Mortgage and Housing Corporation, the largest residential mortgage insurer in Canada and eighth largest financial institution in the country.

JUAN C. VALLEJO, MBA '16, was promoted from senior vice president to executive vice president, commercial partnerships division, at Fox Networks Group Latin America.

CLASS OF '17

JONATHAN HUA, MBA '17, is international partnerships manager at Silicon Valley Forum, an information

technology and services company in San Jose, Calif., that "facilitates connections and provides resources for entrepreneurs and innovators to build and grow a successful company." Jonathan is responsible for helping the organization expand its footprint in the global market, managing a pipeline of international programs and activities, and identifying strategic business opportunities.

CLASS OF '18

ERIC GERVAIS, MBA '18, director of software development for Immersion in San Jose, Calif., was appointed to the board of directors at Vanstar Mining Resources.

MARTIN RICHARD, MBA '18, a partner at the Montreal office of Boyden, a global executive recruitment firm, was appointed to the board of directors at Vanstar Mining Resources.

IN MEMORIAM

WILLIAM "BILL" WILSON HELMAN III '50, MBA '54

JANET SLEDGE, MPA '77

REUNION 2018

A record-breaking number of Johnson alumni returned to the Cornell campus in Ithaca this June for Reunion 2018. Classmates were excited to relive old times, rekindle friendships, and learn how Johnson is changing and preparing for the future.



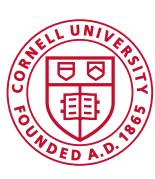
THE CLASS OF 1948

This year, 2018, marks 70 years since the first class graduated with Cornell MBAs and MPAs from the school known from 1946 to 1983 as the Graduate School of Business and Public Administration. The class of 1948 included 40 men and one woman; all but two were veterans. While scholarship funds were available through the university and other sources, the greatest source of student support was the G.I. Bill. Classrooms and faculty offices were located in the north end of McGraw Hall, and the new management library shared space with a museum of rocks and fossils, since the rest of McGraw housed the Geology Department.

Since then, the Samuel Curtis Johnson Graduate School of Management has grown by a factor of 20 to enroll about 800 students per class year in ten degree programs, including the Two-Year MBA, One-Year MBA, MPS in Management, MPS in Management — Accounting Specialization, and PhD, all offered on the Cornell campus in Ithaca; the Johnson Cornell Tech MBA and the Executive MBA/MS in Healthcare Leadership, offered on the new Cornell Tech campus on Roosevelt Island in New York City; the Cornell Executive MBA Metro New York in Palisades, NY; the Cornell Executive MBA Americas, offered in more than 20 cities across the United States, Canada, Mexico, and South America; and the Cornell-Tsinghua MBA/FMBA, offered in Beijing.

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