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JOHNSON AT CORNELL UNIVERSITY

SPRING 2012

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Smart Sailing in Tough Times

Creative practices help nonprofits

Family Matters

Clear policies and roles facilitate smooth transitions

Profile in Leadership: Bright Horizons

Lorna Smith, MBA '87, CEO of Horizons National

FROM
the dean

Looking ahead to a bright new era

As I look back over five years as dean, I'm proud of what we accomplished and where we are today. We overcame financial difficulties due to the economy and worked harder and smarter to obtain jobs for our graduates. We continue to build our programs and research capabilities: We've established and staffed two new institutes; we've added outstanding new faculty, and we plan to hire more. Our Executive MBA programs continue to expand in quality and depth, and we expect to offer our Cornell-Queen's Executive MBA program in two Latin American cities this year. We joined the Consortium and increased our numbers of under-represented minorities. Applications to all four MBA programs are up significantly. And the job situation continues to improve.

Nevertheless, we can always advance, and we will. We are in a very competitive space, and there are great opportunities to expand and enrich our programs. Business is changing, economies are in flux, and we must continually update our curricula. The curriculum review underway for our two-year residential program reflects this and our ongoing commitment to excellence.

I am thrilled about the selection of Cornell and the Technion as partners in the CornellNYC Tech campus that will serve as a global magnet for tech talent and entrepreneurship. Johnson will offer courses there in entrepreneurship, innovation, and commercialization, as well as our Accelerated MBA program as an option for MS, MEng, and PhD students. With Johnson entrepreneurs, venture capitalists, and other experts from the NYC area as advisors, we will help to guide business startups based on Tech Campus research. Details are in progress; stay tuned.

Johnson is on the cusp of an exciting new era, and as I prepare to step down the state of the school is very strong. I know it will remain strong under the guidance of our next dean, Soumitra Dutta. Soumitra is enthusiastic, intellectually curious, and accomplished. In addition to holding an endowed chair at highly ranked INSEAD, he founded and directs its eLab, a global knowledge engine. He is an authority on the impact of new technology on business, and on strategies for driving growth and innovation. His work has been widely published in peer-reviewed journals; he is quoted frequently in business magazines, newspapers, and blogs; and he is a member of the Davos Circle. He co-founded two startups and serves on the boards of others. His technology background makes him perfect to lead Johnson and our efforts with the CornellNYC Tech campus.

I am thrilled about the new NYC Tech Campus and I know Johnson will remain very strong under the guidance of our next dean, Soumitra Dutta, who is enthusiastic, intellectually curious, and accomplished.

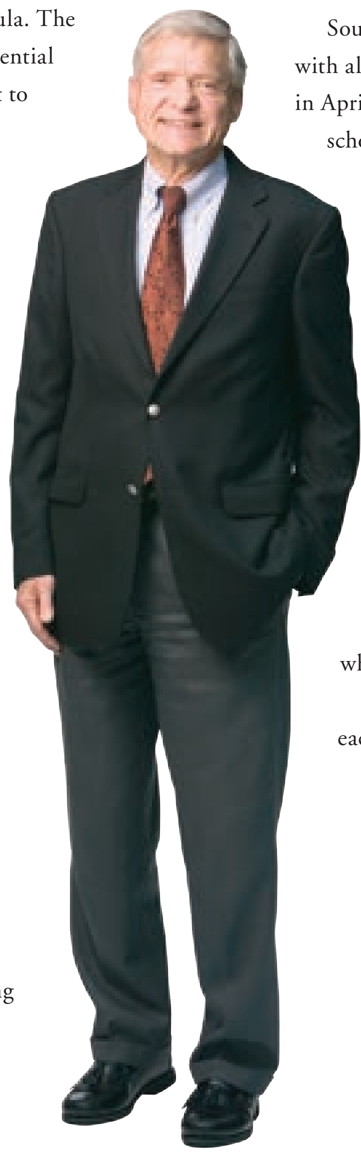

Photo: Robert Barker, University Photo

Soumitra and I speak regularly, he has been meeting with alumni around the world, and he visited campus in April. He is very engaged in what's going on in the school and our plans.

Stepping down as dean is bittersweet; I have thoroughly enjoyed being the face of the school. When I talk with companies, executives, the press, prospective students, and alumni, so many great things are happening here that promoting the school is easy. Because I like our students, I like our alumni, so going around the world to see alumni — more than half of whom I taught in class — is a special treat. But I also like what I'm heading towards: I have missed teaching, and I look forward to being in the classroom. I'm still going to be part of Johnson, and I hope to see you when you return to campus.

Thank you for all that you do for Johnson and each other. Best wishes for health and success.

Joe

L. Joseph Thomas
Anne and Elmer Lindseth Dean

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Departments

COVER ILLUSTRATION: Eva Vazquez

Web Extras

Video: Mark T. Bertolini, MBA '84, Chairman, CEO, and President of Aetna, delivers Durland Lecture

Bertolini visited Johnson in April to deliver the 24th annual Lewis B. Durland Memorial Lecture, "Leading the Way, Using Technology to Create a High-Performing Health Care System."

Video: Irene Rosenfeld '75, MS '77, PhD '80, CEO of Kraft Foods, delivers Cornell's Hatfield Address:

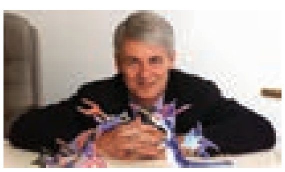
Rosenfeld detailed Kraft Foods' dramatic turnaround in March in her Hatfield Address, "Against the Wind: Growing in Turbulent Times."

Video: Ann Tenbrunsel,

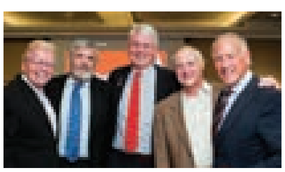
professor, researcher, author, and co-author of six books on ethics, explored why people undermine their own principles and act in contrary, unethical ways in her April delivery of the 2012 Day Family Ethics Lecture "Ethical Blind Spots: The Psychology of Unethical Behavior."

Entrepreneurship@Cornell Celebration 2012

Our Web edition includes a host of stories, photos, and videos of these Johnson-related events:



- **Video: Keynote speech by 2012 Entrepreneur of the Year John Alexander '74, MBA '76, founder of the CBORD Group Inc.**



- **Video: Johnson Business Roundtable: Engagement with Cornell's Entrepreneurs of the Year,** a moderated discussion featuring John Alexander '74, MBA '76, Cornell Entrepreneur of the Year 2012 (CEY 2012), Kevin McGovern (CEY 2007), Jeff Parker (CEY 2001),Robert Felton (CEY 1998), and Harvey Kinzelberg (CEY 1992)

- **Can Renewable Energy Get Any Love?**
- **Angel Investing – Heaven or Hell?**
- **The Vital and Sometimes Confounding Role of the Techie**
- **Eat Me, I'm Local!**
- **Cornell Venture Challenge 2012**

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Anne and Elmer Lindseth Dean
L. Joseph Thomas

Editor
Janice Endresen, MA '85

Staff Writer
Shannon Dortch

Class Notes and Copy Editor
Tanis Furst, PhD '94

Design
Warkulwiz Design Associates

Photography
Shelley Kusnetz
Cynthia Mcintyr
Jon Reis
Liz Hafalia
Keith Ferris
Tom Kemp '59, MBA '60
Cornell University Photography:
Robert Barker
Jason Koski
Lindsay France

We welcome feedback from readers.

Address letters to:

Cornell Enterprise
Johnson at Cornell University
130 E. Seneca Street, Suite 400
Ithaca, N.Y. 14850-4353

Phone: 800.847.2082; 607.255.3096
Fax: 607.255.1858
E-mail: Enterprise@johnson.cornell.edu
Letters may be edited for clarity and length.

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Welcome to Soumitra Dutta, Johnson's Dean Designate

Soumitra Dutta, professor of business and technology and founder and faculty director of a new media and technology innovation lab at INSEAD in Fontainebleau, France, will join Johnson as its eleventh dean effective July 1, 2012, succeeding Dean L. Joseph Thomas. In appointing Dutta, Johnson becomes the first major business school in the U.S. to hire a dean from a business school outside the country.

Previous roles Dutta has held during his 22-year tenure at INSEAD include dean of external relations; dean of executive education; and dean of technology and e-learning. He has served as a visiting professor in the Haas School at Berkeley, Oxford Internet Institute at University of Oxford, and Judge School at University of Cambridge in England. He has lived and worked in the U.S., Europe, and Asia, including stints as an engineer with GE in the U.S. and Schlumberger in Japan.

Dutta is an authority on the impact of new technology on the business world, especially social media and social networking, and on strategies for driving growth and innovation by embracing the digital economy. He is the co-editor and author, respectively, of two influential reports in technology and innovation: the Global Information Technology Report (co-published with the World Economic Forum) and the Global Innovation Index (co-published with the World Intellectual Property Organization). Both reports have been used by governments around the world in their technology and innovation policies.

Dutta's work has been widely published in the *Harvard Business Review, European Management Journal, Management Science, IEEE Transactions on Engineering Management, Decision Support Systems, Journal of Strategic Information Systems*, and other journals. He and his ideas have been featured in myriad business magazines, newspapers, and blogs.

Dutta is a member of the Davos Circle, an association of long-time participants in the Annual Davos meeting of the World Economic Forum, and has engaged in a number of multi-stakeholder initiatives to shape global, regional, and industry agendas. He is on the advisory boards of several international business schools. He has co-founded two firms and is on the board of several startups. He received the European Case of the Year from the European Case Clearing House four times.

Soumitra Dutta will become Johnson's eleventh dean on July 1, 2012.

"Professor Dutta's appointment is a natural fit with Johnson's increasingly global outlook." — President David Skorton

"Professor Dutta's appointment is a natural fit with Johnson's increasingly global outlook," said Cornell University President David Skorton. "He has expertise in new and emerging media, he has studied the conditions that promote innovation and he has extensive experience on the international stage. Among other qualities, these prepare him well to oversee the education of our next-generation business leaders and entrepreneurs. Johnson students, Cornellians who take courses at Johnson and, in the very near future, aspiring entrepreneurs at our new tech campus in New York City will benefit from this appointment."

"This appointment is an exciting opportunity for me, in part because of Johnson's commitment to global perspectives, entrepreneurship and innovation, and business sustainability, but also because as an early adopter of approaches such as performance learning, the school itself exemplifies innovative thinking in business," said Dutta. "I am excited about the close connections the school has to the broader university and especially the opportunities available through collaboration on the CornellNYC Tech campus. I am eager to take up the leadership position building on the strong foundations laid by Dean Thomas."

"I am delighted that Professor Dutta will be joining us," said Dean Joe Thomas. "His extensive research on global business and the conditions that encourage innovation make him the right leader to carry forward our strategic plan, and I look forward to working with him as he assumes his new role as dean of Johnson."

Dutta received a B.Tech. in electrical engineering and computer science from the Indian Institute of Technology, New Delhi. He received an MS in business administration, an MS in computer science, and a PhD in computer science from the University of California at Berkeley. He is married to Lourdes Casanova, a native of Spain who is currently a lecturer in INSEAD'S strategy department, where she specializes in international business with a focus on Latin America and multinationals from emerging markets. The couple has a daughter, currently studying at Oxford University.

A Tribute to Dean Joe Thomas

Praise, thanks, and laughter mark Johnson's Advisory Council dinner and roast in Thomas' honor

At a celebration and dinner that alternated between heartfelt appreciation and lighthearted ribbing, Johnson Advisory Council members, alumni, faculty, students, and staff gathered to pay tribute to Dean L. Joseph "Joe" Thomas, who will soon step down after five years as dean of Johnson to rejoin the faculty. Held on a beautiful, balmy spring evening (just ahead of April's surprise snow storm) at the Ithaca Country Club, speakers included University Provost W. Kent Fuchs, Professor Bob Swieringa, who served as Johnson's dean 1997-2007, Associate Dean Doug Stayman, and Professor Maureen O'Hara.

As master of ceremonies, Advisory Council Chair Rich Marin '75, MBA '76, set the tone for the tribute and roast by affixing an enormous handlebar mustache to his upper lip (à la Joe Thomas circa 1970s) — and to the delight of the audience, every speaker, in turn, did the same. He further set the stage by showing a video produced by then-student Adam Beane, MBA '10, "If I Weren't Dean," in which Dean Thomas gamely participates in numerous make-believe scenarios of where life might have taken him if he had never come to Cornell — to hilarious effect.

In his address, Provost Fuchs cited Dean Thomas' reputation as a highly respected and widely published scholar, his acknowledged expertise in operations and supply-chain management, his more than 40 years of experience as a Cornell University faculty member, and more. After thanking Dean Thomas for his "wonderful job of moving Johnson forward with the strategic plan, positioning it well for the future," Fuchs proceeded to read a laudatory letter from President David Skorton (who was unable to attend).

Dean Joe Thomas accepts thanks and congratulations from Professor Bob Swieringa, his predecessor as dean of Johnson.

"Everybody who thinks Joe did a good job raise your hand!"

Skorton wrote: "As Johnson dean, among many other achievements, you launched Johnson's Emerging Markets Institute and its Entrepreneurship and Innovation Institute; led the development of the school's long-term strategic plan; updated the Johnson 'brand'; created a 'chief marketing officer' position for the school; established the Leadership Fellows program and clinical professorships; and oversaw the tremendous growth of the Executive MBA programs, including the expansion of the Cornell-Queens program — with the addition of Bogota, Colombia and Monterrey, Mexico this summer — to 23 sites, including eight outside the U.S."

Skorton also thanked Thomas for his "ambitious travel schedule to connect with alumni around the world," and stated his confidence that "Johnson is poised to become an even more widely recognized leader in global graduate business education" thanks to Thomas' "vision, leadership and hard ...hard work. ... Finally," ... Skorton wrote, "I am delighted that the Cornell University Board of Trustees, upon the recommendation of the provost, has awarded you the title of Anne and Elmer Lindseth Dean Emeritus, effective July 1, 2012." Upon hearing this, the room burst into applause culminating in a prolonged, standing ovation.

In his tribute, Swieringa assured Thomas that "there is life after being dean," humorously referred to such deanly duties as "repeating the same state-of-the-school speech" several times a week, and thanked him for being the "perfect cup of morning Joe."

Noting that "Joe always wanted to do what's needed for Johnson," Stayman acknowledged that Thomas' wife, Marney, stepped up to the plate, also: "How many events did Joe and Marney host in their home over the last five years?" he asked. "She has been a tremendous asset for the school." The audience clearly indicated their agreement in their hearty applause, and another standing ovation, this time in Marney's honor.

Business Roundtable

A New Vision for Health Care

Mark T. Bertolini, MBA '84, chairman, CEO, and president of Aetna, Inc., called for a restructuring of the way the nation's health care system is managed when he delivered the 24th Durland Lecture — Johnson's most prestigious speaking engagement — at Cornell University's Alice Statler Auditorium.

As head of one of the nation's largest health insurance companies, Bertolini said in his April 5 speech that the health care system today is not working because consumers, doctors, hospitals, and insurance companies are all "pursuing their own interests."

"It would be great if we were working together on a common business model, but the way the system works today, it's much like a hockey team where everyone has a puck," said Bertolini, who became Aetna's CEO in 2010 and chairman in 2011.

As part of an effort to make health care simpler and more convenient, Aetna has developed CarePass, a digital platform that will enable consumers to share information, including medical, fitness, insurance, and nutritional data, across mobile applications as they specifically permit. Bertolini noted that he thought of the idea for the platform while buying his daughter a sweater using a smart phone and Google Shopper, which led him to think about applying similar technology for consumers of health care. The platform also includes iTriage, a free, mobile health-care app that allows consumers to research their symptoms, find a medical care provider, and book an appointment from a smart phone. Already, more than five million Americans use the iTriage app.

In his speech, Bertolini drew on his personal experiences with the health care system to illustrate his understanding of the problems the industry faces. His first life-changing event came in 2001, when his son, Eric, was diagnosed with a rare and terminal form of cancer.

Determined to closely manage his son's care, Bertolini left his position at health insurer Cigna and moved into Eric's hospital room in Boston, where he helped him battle cancer for the next 18 months. Throughout Eric's care, Bertolini discovered several failings of the system. "I couldn't get doctors talking to doctors, or hospitals talking to hospitals," he said. Physicians changed every three weeks, and the hospital fed his son foods to which he was allergic, including peanuts and soy.

"The system just fell apart, and had I not been there, the system would have killed him," Bertolini said. His son ultimately did survive and now works as a physicist.

Bertolini's second traumatic encounter with the health care system came in 2004, when he was skiing in Vermont and hit a tree, breaking five vertebrae in his neck. His spinal cord injury left him with limited use of his left arm. After a recent surgery, he has recovered most of his movement, though he still battles pain from the accident. This experience further informed Bertolini's view of the health care system, and drove home the need for health care reform.

In reference to the Affordable Care Act, Bertolini said the law needs to be changed to protect affordability, and technology holds the key to making the system easier to use and better for everyone.

After the speech, Matt Clifford, MBA '12, said he had never considered a career in health care, but said Bertolini's talk "opened up a lot of new doors for me." What distinguished Bertolini, he said, was "his combination of innovation and humility."

– Sherrie Negrea

Mark T. Bertolini, MBA '84, chairman, CEO, and president of Aetna, Inc., drew on his personal experiences with the health care system to illustrate his understanding of the problems the industry faces when he delivered the 24th Durland Lecture on April 5.

"It would be great if we were working together on a common business model, but the way the [health care] system works today, it's much like a hockey team where everyone has a puck."

Business Roundtable

Ethical Blind Spots

From Bernard Madoff to Enron, cases of unethical behavior are ubiquitous. Although leaders in both business and education try to stem wrongdoing, the components of unethical situations and decisions are rooted in complexities. Understanding these complexities and the psychology behind why individuals behave unethically is a critical component to fully comprehend and tackle the issue, according to Ann Tenbrunsel, who delivered the 2012 Day Family Ethics Lecture on April 3 at Johnson.

Sponsored by the Dr. Harry M. Day Charitable Foundation and the Cornell Law School, Tenbrunsel's lecture, "Ethical Blind Spots: The Psychology of Unethical Behavior," explored why people will, at times, undermine their own principles and act in contrary, unethical ways.

Tenbrunsel, who is a professor, researcher, author, and co-author of six books on ethics, highlighted several "blind spots" that hamstring the ability to think rationally, make decisions effectively, plan accurately, and reflect honestly. For the more than 80 audience members, she also shared factors at play in ethical failures and explained how to close the gap between intended and actual ethical behavior.

"You need to recognize your blind spots and recognize that we're not as ethical as we think we are," said Tenbrunsel. "I say this so you can use this information to become the person you want to be."

When looking back on past decisions, Tenbrunsel said people will typically see decisions as more ethical than they really were, or they won't remember unethical actions.

Throughout her lecture, Tenbrunsel incorporated theories, studies that she and other researchers have conducted, and real-world examples of transgressions. She also used a video clip on "change blindness" to demonstrate how we limit our own awareness: Viewers, who are directed to track one thing at the beginning of the clip, realize at the end that they were so focused on that specific thing that another clearly visible phenomenon, one that is wildly out of context, went unnoticed.

"I thought it was a powerful demonstration of how tasks and rewards can cause us to be myopic," said Eric Gladstone, Johnson doctoral candidate, of the video clip.

Tenbrunsel applied the phenomenon of change blindness to the business world, saying if an employee and boss have shared goals, the employee will not be motivated to see unethical behavior the boss may engage in to reach those goals. "You are motivated not to see the unethical behaviors of [your] boss or the people above you because it generally doesn't do [you] any good," Tenbrunsel added.

"You need to recognize your blind spots and recognize that we're not as ethical as we think we are."

Tenbrunsel also encouraged the audience to think about compartmentalization, asking, "To what extent do we design our job and responsibilities so we don't see ethical responsibilities in our backyard?" She explained that identifying an ethical problem is often arduous because decisions are laced with financial, business, and social complexities — and the ethics fade amid other factors.

Dana Radcliffe, Day Family Senior Lecturer in Business Ethics and senior lecturer of management, recognizes this challenge and addresses it, among other topics, in his ethics courses. "I want my students to be primed to see ethical choice situations when they encounter them — no small thing, since failing to see the ethical nature of choices (what Ann terms 'ethical fading') is something to which we're all vulnerable," he said. "I also want students to be prepared, when facing those situations, to ask questions integral to sound decision making: 'Who will be affected by what I do? How would they view my decision? What do I owe them?'"

Andrew Schwartz, MBA '12, who has taken Radcliffe's ethics classes, agrees that studying ethics helps build a foundation to be able to work through complex decisions, better equipping future business leaders to handle ethical dilemmas. "I think it's important that ethics classes are interwoven into the MBA curriculum so students can reflect on where others have gone wrong in the past, from an ethical perspective, so these scandals don't continue to occur," he said.

– Pamela Woodford

Ann Tenbrunsel, co-author of *Blind Spots: Why We Fail to Do What's Right and What to Do about It*, delivered the 2012 Day Family Ethics Lecture at Johnson.

Business Roundtable

Insights on Russia's Accession to the WTO

Understanding key drivers of economic transformation in an interdependent, global economy has never been more important for business school students. Brought together by an appreciation for these forces and business opportunities born from an ever-changing global economy, students filled Ramin Parlor in Sage Hall on Feb. 13 to attend a seminar by Aleksey Shishayev, senior counselor and head of the economic section of the Embassy of the Russian Federation in the United States.

Hosted by Johnson's Emerging Markets Institute, Shishayev discussed the implications of Russia's accession to the World Trade Organization (WTO), announced on Nov. 3, 2011, and expected to be complete by summer. Shishayev noted the historic achievement that Russia's accession represents, especially during challenging economic times. His seminar not only provided an overview of the Russian economic landscape, but he also presented an amalgamation of history, politics, and innovations that impact business — and Russia's accession to the WTO.

Although Russia set a world record for the longest negotiation for WTO accession, Shishayev expressed excitement and optimism for Russia to join the ranks of 153 other WTO member countries and be fully acknowledged as a world trade partner. "It took us 18 years of negotiations to join the WTO," he said. "It feels great to be joining. We hope it will bring real economic value."

As a lead negotiator for Russia's accession, Shishayev offered insights that only someone who had been at the negotiating table could share.

Russia, like many other countries, depends on the world economy and has become increasingly interconnected. In an effort to put a checkered past behind, Russia and the U.S. recently have sought to deepen their economic ties. Shishayev shared several success stories of U.S.-based companies that have established facilities in Russia. For example, Procter & Gamble launched operations in Russia in 1991 and has grown P&G Russia to become one of the fastest-developing subsidiaries of the global consumer packaged goods company.

Aleksey Shishayev, senior counselor and head of the economic section of the Embassy of the Russian Federation in the United States, was a lead negotiator for Russia's accession to the WTO.

Russia's accession to the WTO will create new opportunities for American exporters in one of the world's fastest-growing markets, Shishayev said, possibly doubling U.S. exports to Russia to some $19 billion annually. However, trade barriers remain between the two former superpowers; specifically, the 1974 Jackson-Vanik amendment. Originally established to ban trade with non-market economies that restrict freedom of emigration and other human rights, Jackson-Vanik impedes normal trading relations between the U.S. and Russia.

"It took us 18 years of negotiations to join the WTO. We hope it will bring real economic value."

"It could take another 18 years — or just 18 months — for progress to be made and Congress [to] repeal Jackson-Vanik," said Shishayev. "I hope it doesn't take that long. The White House is supportive because they understand the economic implications."

Encouraging Johnson's future business leaders to consider potential opportunities in Russia, Shishayev noted some of the country's recent, noteworthy developments. Among them: declining unemployment, increasing modernization, and a growing common market with its neighboring countries, through which goods and services would move without barriers.

"We want people and businesses to invest in Russia," Shishayev said. "But having a local partner, like with any international deal, is important to help with negotiations."

– Pamela Woodford

Newsmakers

A new curb on malaria: WOW™

Johnson's Center for Sustainable Global Enterprise and SC Johnson reached a major milestone in a three-year project with the launch of a new product concept for rural consumers in developing markets. Recently unveiled in the village of Bobikuma, Ghana, WOW is a membership-based club whose products and services help low-income homemakers care for their homes and families. WOW's launch was reported in March 2012 by the *Wall Street Journal's MarketWatch* (March 8), *Milwaukee Business Journal* (March 16), and the MBA admissions website Clear Admit (March 16).

In 2010, the Bill & Melinda Gates Foundation and the SC Johnson Fund dedicated $1 million in funding to create a new business model to bring SC Johnson mosquito repellents and insecticides to low-income, rural families in developing countries. The venture aimed to reduce transmission of malaria — a mosquito-borne disease that caused an estimated 655,000 deaths in 2010, mostly among children in at-risk populations.

"The WOW offering and business model are designed to tackle two key business challenges that come with low-income markets," said Erik Simanis, PhD '10, managing director of market creation strategies at the Center for Sustainable Global Enterprise, who worked with SC Johnson to develop the WOW concept. "The first is to persuade consumers to adopt very new routines and behaviors associated with the products. The second is to generate the margins needed to sustain the high-intensity sales process for acquiring and retaining customers."

WOW launch in Bobikuma, Ghana, Nov. 29, 2011

Dutta's appointment garners world-wide attention

When Johnson announced that Soumitra Dutta would become its eleventh dean on Jan. 9, 2012, media organizations around the globe covered the news, generating more than 60 original stories and 300 total stories. Publications that covered the story included the *Wall Street Journal, Financial Times. Times of India, The Economist, Fortune,* and *Bloomberg Businessweek*. The media reported on Dutta as the first dean recruited from outside the U.S. by a major U.S. business school, and on his track record in expanding executive education, including the executive MBA, at INSEAD. Dutta is a native of India, where major media reported on his position as one of three India-born academics recently appointed as deans of top-tier U.S. business schools.

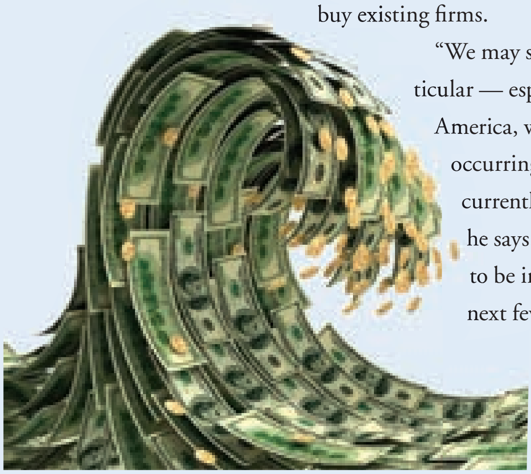
What happens when companies bulge with cash?

Murillo Campello, the Lewis H. Durland Professor of Management and professor of finance, got the attention of both European and U.S. media in February, following his keynote address to European central bankers on February 10, 2012, at a conference hosted by the Banque de France, titled "Firms' Financing and Default Risk During and After the Crisis."

Campello's address focused on the ways in which firms managed liquidity and crafted their own financial policies during and after the financial crisis — policies and practices that have resulted in huge corporate cash reserves.

"U.S. firms have more than $2 trillion in cash sitting on their balance sheets, cash they are holding due to uncertainties in the economy that make it difficult to invest or build from the ground up," Campello says. "The question is: how will they use the cash when they are ready to spend, and can and will they make good choices in the absence of tight monitoring and credit-market scrutiny?"

One thing seems fairly certain, Campello says: There will likely be a tsunami of cash-based merger-and-acquisition activity as the global economy stabilizes, where cash trapped in large companies is used to buy existing firms.



"We may see hostile takeovers, in particular — especially in Asia and South America, where economic growth is occurring and U.S. corporate cash is currently parked for tax reasons," he says. "Regardless, it will be good to be in investment banking in the next few years."

Media outlets that wanted to hear more from Campello on how firms might use their cash reserves included the News Blaze website (Feb. 14), France's *Les Echos* (March 19), and Bloomberg, in its *Mergers* newsletter (March 19), distributed through its subscription-only Bloomberg terminals.

Step back before buying

When you find it difficult to make a purchase decision, try creating some psychological — or physical — distance, suggests new research by **Manoj Thomas**, assistant professor of marketing. He and his co-author, Claire I. Tsai, examined whether psychological distance reduces the difficulty and anxiety in choice situations. They conducted four experiments where they altered the psychological distance from a given task by using subtle manipulations — varying the abstractness of thinking and having participants assume different body postures. The result: "Those who leaned toward the screen found the choice to be more difficult and were more likely to defer the choice than those who leaned away from the screen," the authors write (Phys.Org Online, Feb. 14). *Harvard Business Review's* "Daily Stat" covered the research under the headline "To make a task seem easier, lean back a little" (Feb. 17). Two international outlets reported it, as well: the U.K.'s Mail Online (Feb. 15) and CBC News Online of Canada (Feb. 16).

The study, "Psychological Distance and Subjective Experience: How Distancing Reduces the Feeling of Difficulty," will appear in the August 2012 issue of the *Journal of Consumer Research*. The online version is currently available at http://ejcr.org/.

MBA graduates find jobs — with lots of effort

Things are looking up for newly minted MBAs, says **Fred Staudmyer**, assistant dean for Johnson's Career Management Center. Staudmyer told the *Wall Street Journal* (Jan. 26) that recruiting in the consulting sector "came back with a vengeance" in the past 12 to 18 months. "Cornell b-school students have got jobs, but it has been hard work," wrote the *Hindu Business Line*, in coverage of its interview with **Dean L. Joseph Thomas** (March 22). *Business Line* interviewed Dean Thomas in Mumbai, during a trip that included Korea, Hong Kong, and India.

Analysts recommend: Look closely and learn more

Finance Professor **Roni Michaely's** ongoing research on the hidden meaning of analysts' stock recommendations, presented in a working paper with co-authors Ambrus Kecskés and Kent Womack, was covered by columnist Jack Hough in the *Wall Street Journal* (Jan. 14) under the headline, "How to profit from analysts' stock recommendations." Hough's weekly "Upside" column focuses on investment bargains.

"The three authors theorize that the best recommendation changes are ones that stem from concrete new information, and that changes in near-term earnings forecasts are a good sign of such information," Hough writes. "In the study, they find that stock prices drift much more when recommendation changes are accompanied by earnings-forecast revisions."

How to be a better networker

By Irene Kim

Now, perhaps more than ever, it pays to network well. With the economy fighting its way out of the doldrums and job security at historical lows, cultivating strong social and business networks is essential. It is through these connections that we exert our influence and find opportunities and support.

Networks are especially important in a tough labor market. "There are so many more applicants than in the past, it's more important to make a connection; you're looking for a leg up," says Kathleen O'Connor, associate professor of management and organizations. How can you get ahead of other applicants? It might be because you know the next-door neighbor of the guy who's hiring, she says. You just never know when an acquaintance might be able to help you — or vice versa. "Networking is about being receptive and open to connections," says O'Connor.

Not a self-serving enterprise

Some people are put off by the thought of building and maintaining their network, says O'Connor, because they see it as self-serving and opportunistic. "But we need to get past that sense that networking is sleazy, instrumental, and hyper-strategic," she says. "Just leave yourself open: You don't know when you're going to meet someone who might be helpful to you. At the same time, focus on how you can help them."

Certainly, most of us know at least one serial networker — the loud, back-slapping type who works his way around a room collecting a stack of business cards. But, according to O'Connor, that's not what a good networker typically looks like.

People who appeal to others as potential networking targets come across as likeable, warm, calm, and resilient, says O'Connor. Individuals who are personally and physically appealing attract networking activity (physical attractiveness commands a higher premium in men than it does in women).

"People want to affiliate with people who are genuine, likeable, and helpful," she says. "To the extent that you can present that image and live up to it, that will draw networking attention. You have more people coming up to you, making it easier to network."

So, getting a decent haircut, investing in nice suits, and careful grooming in general are good ways to increase your networking appeal. Acting calm and resilient is also helpful; curtail venting sessions about the boss's unfairness or short deadlines. "If you're easily rattled in difficult circumstances, that can put off potential networking partners," says O'Connor.

Reach out

In addition to making yourself an appealing target, take steps to build your network. "Take opportunities to build ties before you need them," advises O'Connor. "Accept invitations to lunch, become active in professional organizations, volunteer to take on projects with people you want to know. The more your network includes people from different circles, connections to people you don't know (yet), the more you can offer people who are looking for help. Being a person who connects others will enable you to be influential."

When opportunities arise to extend your network, O'Connor counsels erring on the side of saying yes. Take that evening to accompany a colleague to a Chamber of Commerce meeting; you never know whom you'll meet. "These invitations don't need to be time-consuming," says O'Connor. "We're in front of somebody, we meet them and exchange cards, have a pleasant and memorable conversation, make an impression. Later on, if we reach out to them, we have a context in which to do so."

But you don't want to accept LinkedIn invitations from complete strangers. "I won't take invitations from people I don't know, or

“Accept invitations to lunch, become active in professional organizations, volunteer to take on projects with people you want to know.”

who don’t seem familiar, because I don’t know how this person got my name,” says O’Connor. “I think of any invitation I accept as potentially vouching for someone.” She points out that networks depend on the role we play. Someone like Steve Calk, associate director at Johnson’s Career Management Center, for instance, has more than 500 LinkedIn contacts; most of us will have considerably smaller networks.

O’Connor explains that our network relationships can be described as either “strong” or “weak.” Strong ties are characterized by trust and a high frequency of contact, as compared with weak ties we have with people we don’t see very often and to whom we are not particularly close — but who would still recognize your name and take your call.

Both types are necessary to a good network. “Strong ties — the kinds we have with partners, parents, mentors, close friends — are ideal for providing social and emotional support,” says O’Connor. Weak ties are those we have with people whose paths do not often cross ours, and are probably in different professional and personal circles. “Because these people move in different geographic, industry, and company circles, they can give us access to novel information and connect us to people we don’t know. So asking your uncle about job prospects will likely yield less than asking your uncle’s accountant, as it is all about getting access to information that is outside your network.”

O’Connor suggests aiming for a rough balance between strong and weak ties. Cultivating weak ties is typically harder, so O’Connor suggests sending a friendly e-mail every six to eight months, holiday cards, or articles of interest.

Bridging the gap

A caution: O’Connor’s research shows that people who work as brokers between two disparate groups in an organization are often regarded with mistrust. Because these brokers sometimes receive better pay and faster promotions, young executives eager to make their mark in a new organization may strive to identify spaces between unconnected groups, insert themselves, and facilitate the transfer of resources. “But nine out of ten of these bridges that brokers build disappear the following year,” says O’Connor. “People who move to occupy brokerage positions in networks are perceived to be less trustworthy, less likeable, and more strategic actors than those who remain in non-brokerage positions. The more distinct the groups being brokered are from one another, the greater the negative perceptions of the broker. Yet, ironically, it’s the advantages that come through bridging disparate groups that pay dividends for brokers.”

Accordingly, she advises anyone trying to play the role of a broker to actively cultivate a self-image of being helpful, fair, and honest. “You’re not extracting benefit for yourself — you’re providing some benefit, helping the two unconnected groups.”

Kathleen O’Connor, associate professor of management and organizations, is an organizational psychologist who studies negotiation, teamwork, and decision making. Her recent projects investigate the development of individual social capital. She applies theories of individual cognition and interpersonal behavior to study the conditions under which people recognize and exploit opportunities for building social capital. She is a member of a team of networks experts from Cornell University whose work is sponsored by the Institute for the Social Sciences. Her research has been published in numerous peer-reviewed journals, including the *Journal of Applied Psychology, Journal of Experimental Social Psychology, Organizational Behavior and Human Decision Making,* and *Personality and Social Psychology Bulletin.*

Hitting the Mark

With the right idea and strategy, entrepreneurs can flourish in any market environment.

By Irene Kim

An entrepreneur is someone who can look at a tough situation and see a challenge, find an opportunity, and capitalize upon it. Today's economy, rather than daunting budding entrepreneurs, should be inspiring their creativity, says John Alexander '74, MBA '76, Cornell Entrepreneur of the Year 2012 and founder of Ithaca-based CBORD Group Inc., the leading provider of campus cashless and security solutions, food service and nutrition management software, and related services.

"The tough economy creates as many opportunities as it does roadblocks," he says. "It creates new problems that must be solved by enterprising young entrepreneurs. There is no bad time in the economic cycle to get started."

To illustrate, Alexander cites two economic meltdowns of recent memory: the 2001 dot-com debacle and the 2008 bursting of the housing bubble. Following both events, investors became more cautious. And, although venture capital became scarcer following the downturns, "the money came back, and the venture capitalists and private-equity firms were applying new filters and new metrics to qualify the investments they would make," says Alexander.

So, if you can allay potential investors' qualms by addressing their specific fears — configuring and positioning your company and your products to be stronger in the changed environment — you have an advantage over would-be competitors. "Your investment actually stands out by virtue that the market has changed and investors are pickier about where and how they will invest."

Know what you've got

Alexander points out that, before you can truly fit your product to the market landscape, you must know exactly what you're offering. "Do you have an idea, a product, or a company?" he asks. "Some ideas are just that — ideas. They haven't been fleshed out to the point where a rational investor — a non-family-and-friends-type person — would want to place a bet on them."

Traditionally, the automatic response to a promising idea used to be, "Let's start a company!" But taking that route prematurely can lead to empty pockets and heartbreak. "Good ideas or individual products need to be advanced, taken to a stage where they can either be fully developed, or can be sold to a company that can take them to the next level," Alexander says.

John Alexander '74, MBA '76, founder of the CBORD Group Inc., and Cornell Entrepreneur of the Year 2012, with two *alebrijes* dragons from his collection of the brightly colored Mexican folk art sculptures of fantastical creatures.

"Companies that don't work hard to stay close to their customers are usually doomed to failure, no matter how great the idea or product appears."

Be true to yourself

Do you have the time and motivation to work 80-100 hours a week and back burner your personal relationships? "If you think you have a great idea, believe you can line up financing, can handle the risk, and aren't newly married with kids, then, go for it. Be sure to weigh the pros and cons with great care," says Alexander. For young people with limited business experience, however, he suggests first gaining experience as an employee in a firm: "You can learn on someone else's nickel, and save up capital to build on your idea."

Alexander advises assessing your own strengths and weaknesses, and seeing how these fit into your company's SWOT analysis (strengths, weaknesses, opportunities, and threats). Then, he says, choose a management team that complements your skills and style.

"A good management team should be extremely bright, flexible, proud, and excited about their great idea, but not so full of themselves as to believe they are God's gift to the industry," says Alexander. The management team must also know how to listen — to the market, to customers, and to constructive criticism. "Companies that don't work hard to stay close to their customers are usually doomed to failure, no matter how great the idea or product appears."

By a similar token, corporate fairness and responsibility are essential to long-term success. "If it's only about making money for yourself, then you probably won't be able to grow a small business into a bigger one," says Alexander. "At my company, The CBORD Group, we spent a lot of time figuring out how to 'make it right,' rather than crafting excuses. We had a very deep-seated need to please and refused to accept failure in any client account — which turned out to be a great marketing strategy."

Define your focus and stick with it

Deciding how to differentiate your company is crucial, too. Decide if you will compete on service, low price, or technology, advises Alexander; a company that tries to compete on more than one platform will fail. Choosing one platform doesn't preclude doing well on the others, however. "If you decide to differentiate on great client service, this doesn't mean that you can't be affordable, nor that you can't have industry-leading technologies to offer; but it does mean that you cannot dilute your efforts to deliver excellent service by over-investing in these other areas."

Focusing on one platform means staying true to your charter, which can confer benefits. Alexander illustrates this using his own startup, the CBORD Group, which provides IT solutions for food service, security, and other systems on institutional campuses. From the beginning, Alexander focused on customer service. As a result, the company couldn't always stay at the cutting edge of technology, so missed the Internet bandwagon the first time around; instead they focused on developing CBORD's popular client-server-based product.

The loyal client base sustained the company while the Internet was in its infancy, allowing CBORD to monitor the gestating technology, seeing what worked and what didn't. "If you're on the bleeding edge, chances are you're going to hitch your cart to a lot of expensive technologies that never make it," says Alexander. "By being a little behind the curve, we were able to see where others had

The first-mover advantage

If your idea is a "first mover," or a pioneering breakthrough into a new market segment, you may have a huge advantage over other startups.

John Alexander '74, MBA '76, founder of the CBORD Group Inc., explains the "first mover" idea using his own company as an example. In 1975, as a student programmer at Cornell working with the Department of Dining Services, he saw an opportunity to use technology to improve the dining program.

At the time, there was no commercial software market. Anyone wanting a computer application would have to hire a raft of programmers to develop a completely homegrown solution. So Alexander and his team developed the programming for Cornell's dining-management system, incorporated CBORD, licensed the programs from the university, and then offered the technology to other schools. As the first company in that segment, CBORD created very high barriers to entry.

Beyond the lack of competition, an important advantage of being a first mover is access to a crucial segment of the population called "early adopters" — technophiles who welcome leading-edge technology. "These people are hugely advantageous to a startup business, because they are much less price-sensitive than others; they will pay a premium because they just have to have the technology," says Alexander. In addition, early adopters have a high level of involvement with the technology: "They tend to be very willing to share their time and their own talents, to give back to these companies and help them be even more successful."

Are there still first-mover opportunities in today's market? "On a college or corporate campus, everyone's got some kind of a phone in their pocket," says Alexander. "If you have that, why do you need keys, money, or a credit card? Why can't all the devices on that campus integrate with the device in your pocket and work together to facilitate payments, and access to computers, networks, vending machines — you name it?"

The opportunity is huge, says Alexander. "People are looking for convenience and security; universities are looking for ways for people to participate in the commerce on campus. They'd like it to cost them as little as possible: So you start reaching out to other companies, like the people whose sodas are in the vending machine, to see if they will subsidize part of that, and create the necessary infrastructure. That's an example of things that don't exist yet, but, if you think about it just a little, present a big opportunity."

"A good management team should be extremely bright, flexible, proud, and excited about their great idea, but not so full of themselves as to believe they are God's gift to the industry."

been successful and to adopt technology that made the most sense and that our market cared about."

CBORD's investments in customer relationships yielded huge dividends. For instance, it reaped great benefit from annual user-group conferences it had instituted early on, during which the company solicited feedback and suggestions for their products. When Alexander asked customers for a list of three items that they wanted the company to address, he found that they addressed the charge with responsibility and accountability. Within their own ranks, customers reached a consensus on items that were reasonable and viable. "Our customers were out-front, literally defending the company's strategic plan, and helping to make sure that other customers understood why we could only do certain things, in a certain timeframe," says Alexander.

Give back

A final bit of advice that Alexander imparts to entrepreneurs: Actively give back to your community. He suggests finding creative ways to support initiatives that are related to your business. The CBORD Group, for example, found initiatives that dealt with hunger locally. "It seemed logical, inasmuch as our profits were made in the food service business," says Alexander, whose marketing professionals helped community-based organizations produce documents to support their capital campaigns. "It made people feel so much better about the company — they saw that we were not there just to make money, but were trying to be good members of the community," he says.

Watch the keynote speech by 2012 Entrepreneur of the Year John Alexander '74, MBA '76, in Cornell Enterprise Online [www2.johnson.cornell.edu/alumni/enterprise]

Startup Snapshots

Seeking a passion pays off

Lawrence Watkins, MBA '10, CEO and founder of Great Black Speakers

Lawrence Watkins didn't start out as an entrepreneur. Like his family, he thought he was going to be an electrical engineer. But during his junior year at the University of Louisville, he suddenly realized that although he might become a decent engineer, he would never be passionate about his work.

At about that time, his brother, Boyce Watkins, a finance professor at Syracuse University, proposed that Lawrence move to Syracuse. Lawrence would help nurture Boyce's growing career as a public speaker, finding him media outlets and educational and corporate venues. It was a big gamble, says Watkins; but, after graduating with his engineering degree, he turned down multiple offers from Fortune 500 companies and joined his brother. Reaching out to one target at a time, Watkins built up a network of contacts and gained valuable experience.

In January 2007, Watkins launched Great Black Speakers [greatblackspeakers.com], a talent broker and agency that matches African-American speakers with corporations and schools. Undergrad engineering had supplied Watkins with invaluable analytical skills and a tough work ethic, but little exposure to entrepreneurship, sales, and marketing. "I had to read a lot at night and test my business theories during the day when I was growing my business," he says. After making a few mistakes, such as not keeping track of his cash flows and realizing he had burned through nearly all of his capital, Watkins began his MBA at Johnson in fall 2008.

"Having GBS established when I came to school meant that I could directly apply what I learned in class to the growth of my business," says Watkins. After graduation, he returned to the business with new skills and energy. He has since launched Great Pro Speakers (greatprospeakers.com), a companion site that helps speakers hone their marketing skills. Like many young entrepreneurs, Watkins has learned to leverage new social-media tools to market GBS, whose network of speakers and outlets continues to grow.

Startup Snapshots

Optimized IT solutions

Classmates Christian Fulmino and Sumitro Sarkar, both MBA '07. Sarkar founded TechStrategyLabs.

A corporation's IT department typically represents large installed and operating costs, and is a significant player in the corporation's business strategy. A firm that can optimize its IT systems and operations, therefore, stands to gain significant advantage. Helping firms assess, design, configure, and implement their IT systems is the aim of TechStrategyLabs [techstrategylabs.com], an advisory firm founded by Managing Partner Sumitro Sarkar in 2007.

TechStrategyLabs uses quantitative methods to determine the ramifications of various IT systems, aligning the results with the company's business strategy. "If I'm a CIO for a firm, say I'm managing $175 million worth of budget, with $20-25 million available for strategic initiatives," says Sarkar. "How do I decide which part of my IT project to keep, and which part to shut down, to lead to sustainable strategic growth that resonates with market demand, external pressures from competition, and internal growth pressures?"

A typical consultant, says Sarkar, will gather data and generate a stack of spreadsheets. "We, on the other hand, use particular technologies and optimization theorems to come up with a solution and say, 'Out of the 125 initiatives available in the market, these 10 yield the maximum value and are sustainable.'"

Sarkar had a great deal of support from Johnson in launching his startup: Professors Vithala Rao, David Weinbaum, and Larry Robinson are senior advisors, and Professor Sanjay Sood was instrumental in branding initiatives. Sarkar also brought fellow Johnson alumni Christian Fulmino, MBA '07, and Samarpal Singh Bhatia, MBA '06, onto his initial management team. (Bhatia is no longer with the company.)

The firm is steadily gaining traction as it proves its mettle to clients, and in 2011, it opened an analytics lab and business hub in India for Asian clients. Early progress wasn't so smooth, however. The company partnered with a sales-development organization to grow its client base, but quickly found the partnership flawed; the incentives of the companies weren't aligned. Sarkar cautions other startups to learn from his experience, and ensure that prospective partners are in line with one's strategy and charter.

Easy access to daily deals

Jennifer Dulski '93, MBA '99, co-founded the Dealmap

It's great to find a good deal. But it can take hours of looking through coupon and daily deal websites, plus local coupon books and newspapers, before you find something promising in your neighborhood. The Dealmap, a startup cofounded by Jennifer Dulski and recently acquired by Google, cuts through this clutter and saves time by enabling you to find local deals from hundreds of sources all in one place.

Dulski started the business in early 2008 as Center'd, a search and discovery site that used sentiment analysis to surface and summarize detailed insights about local businesses based on what consumers said about them online. But she and her management team changed direction, and the company name, in response to market demand. "The idea for the Dealmap came from years of doing research about what consumers wanted," says Dulski: an easier way to find good deals nearby. The Dealmap included offers from sources including national brands, daily deal websites, local businesses, and consumers, and made them available to consumers on its website, mobile apps, and daily emails.

Launching the company just before the global economy crashed made it tough to raise money. "However, we knew that if we could survive the downturn, we had a good chance of success," says Dulski. The company survived, raised money in 2009, and was able to capitalize on the increasing use of GPS-enabled mobile devices and the rise of local daily deal companies.

The Dealmap's valuable content and technology became so appealing to large publishers that Dulski's team built DealExchange, a suite of tools that allows publishers and developers to easily integrate local deals into their products and applications. Within six months of launching DealExchange, they powered more than 40 major publishers, including Microsoft and Superpages. In August 2011, Google acquired the Dealmap and integrated it into Google Offers. "The acquisition by Google has allowed our product to reach many more people," says Dulski.

IMPACT INVESTING GROWS UP

INVESTMENTS WITH A PURPOSE PROMISE SOLUTIONS FOR THE PLANET AND PROFITS FOR INVESTORS

BY ROBERT PREER

As director of impact investing for RSF Social Finance, a San Francisco financial services firm with a social mission, Taryn Goodman ’00, MBA ’09, manages approximately $40 million for individuals and organizations looking for returns that are more than financial.

One fund that Goodman invests in is Elevar Equity, which provides capital to small entrepreneurs addressing problems in some of the world’s poorest regions in areas of housing, health care, and finance. Another is Beartooth Capital, which acquires and restores stressed ranchland in the American West.

RSF Social Finance is a nonprofit, and the money Goodman manages comes from charitable donors. But philanthropy is not her only goal. “We invest for financial, as well as social and environmental, impact,” she says. “The money gets funneled back in, and the base for donor advisors to grant from grows.”

Skeptics might suggest that conflicts are inherent in the twin goals of making money and promoting values, but Goodman calls this “a fractured way of thinking.”

“We offer a place to put capital to bring about social and environmental good,” she says. “On another level, our purpose is to transform the way the world works with money.”

FUNDS WITH A PURPOSE

Since the early 1700s, when Pennsylvania’s Quakers banned members from participating in the slave trade, some people have sought to align their values with their investments. In the 1960s, Vietnam War protesters pressed for divestment from companies that profited from the conflict. In the 1970s, U.S. state and local governments, along with pension funds and colleges, withdrew investment in companies that did business with South Africa’s apartheid regime.

ILLUSTRATION: ©Eva Vazquez

TARYN GOODMAN '00, MBA '09 DIRECTOR OF IMPACT INVESTING FOR RSF SOCIAL FINANCE

"IMPACT INVESTING IS AT THE INTERSECTION OF SUSTAINABILITY AND FINANCE, WHERE NEW BUSINESSES AND MARKETS TAKE SHAPE. IT'S ABOUT INVESTING IN INNOVATION AND ENTREPRENEURSHIP."

— MARK MILSTEIN, DIRECTOR OF JOHNSON'S CENTER FOR SUSTAINABLE GLOBAL ENTERPRISE

In the years that followed, values-oriented investing shifted to embrace a host of causes, including the environment, health, human rights, diversity, and corporate governance.

In the 1980s and '90s, special funds, known as SRI or socially responsible investing, emerged. These are mutual funds typically made up of companies screened by fund managers to exclude any that damage the environment, exploit the underprivileged, or sell tobacco, alcohol, weapons, or other products the funds consider harmful.

SRI funds also have been launched in recent years with "positive screens." These funds invest only in companies that promote a specified cause, such as green energy or conservation. But SRI's agenda has been largely to avoid supporting social ills, and funds with negative screens predominate.

The funds have proven to be popular with investors. In 2010, SRI assets under management were $3.1 trillion, up 13 percent from 2007, according to the Social Investment Forum.

SRI has drawn a diverse set of investors, according to Angela Mwanza, MBA '00, a senior vice president at UBS Private Wealth Management. "Socially responsible investors include individuals, corporations, universities, hospitals, foundations, insurance companies, pension funds, nonprofit organizations, and religious institutions," she says.

"This is definitely the way of the future," says Sanjeev Bhojraj, faculty director of the Parker Center for Investment Research and professor of accounting, "More investors are becoming aware of it, and they are going to demand it. As we move into the next generation of investors who have grown up green, it's going to become a key element of investing."

GOING POSITIVE

The latest trend in values-driven finance is impact investing, which emerged in the past decade as an offspring of SRI. But while SRI's agenda is mostly to avoid investing in companies that cause harm to people or the planet, impact investing takes a more positive approach. Impact investments are aimed at launching or growing enterprises with specific social or environmental objectives.

Professor Mark Milstein, director of Johnson's Center for Sustainable Global Enterprise, views impact investing as the intersection of sustainability and finance, where new businesses and markets take shape. "It's about investing in innovation and entrepreneurship," he says.

An impact-investing fund might buy stakes in a startup trying to bring solar-powered electricity to villages in Africa or a company looking to build affordable housing in New York City or a microfinance bank in Cambodia providing capital to small businesses.

In the past five years, impact investing has grown rapidly and now stands at about $50 billion. A 2010 JP Morgan report for the Global Impact Investing Network and Rockefeller Foundation estimated that assets could total between $400 billion and a trillion dollars over 10 years.

The global financial crisis spurred the growth of impact investing, according to Goodman. "One thing that we saw on Wall Street with the crash was that people didn't know where their money had been going," she says. "Individuals and organizations want to go deeper now and get closer with their end investment."

CAPITAL FOR SOCIAL GOOD

William Rosenzweig came to Cornell as an undergraduate in the late 1970s but left before graduation and became a serial entrepreneur. He wanted to start businesses that would benefit society. For models, he looked to Ben & Jerry's, the natural ice cream company known for supporting various causes, and organic yogurt maker Stonyfield Farm. "They were early examples of companies that had a business model where there was an integrated intention of doing well as a business and doing good in society," he says.

Rosenzweig's causes have been health and the environment, and more than a dozen companies he founded or has been closely involved with embody that orientation. The Republic of Tea, which he co-founded in 1992, sells organic and exotic teas with proven health benefits. He was senior vice president of Odwalla, the nation's largest fresh juice company, and he founded Kingdom of Herbs, purveyor of all organic plants and products for the home and garden.

After building and running companies for more than a dozen years, Rosenzweig began exploring how to meet the capital needs of companies with orientations like the ones he had built. He spent several years working for the Rockefeller Foundation, which also was looking into ways to promote socially motivated businesses, and he became the University of California, Berkeley's first professor of social entrepreneurship.

Impact investing was in its infancy, and Rosenzweig became an early proponent. "The business models had been established," he says. "Now capital was starting to form around the business models."

In 2007, Rosenzweig launched Physic Ventures, a $160 million fund focusing on health and sustainability. The fund's name means "the science of healing" in Latin. There are 18 companies in Physic's portfolio, and investors include pension funds, foundations, and corporations.

One of Physic Ventures' success stories is Revolution Foods, started by two women who were students in a course Rosenzweig taught at Berkeley. Revolution Foods provides fresh, healthy, and locally grown food to schools around the country. The company also offers nutrition education to teachers, parents, and children.

Another company in Physic's portfolio is Novomer, a new materials company that came out of Cornell's business incubator. The company is pioneering low-cost, high performance plastics, polymers, and other chemicals made with renewable raw materials.

Rosenzweig says that when Physic Ventures was founded, many in the investment community knew little about impact investing. Today, though, awareness has grown, and it is increasingly viewed as a new asset class, he says. "I think its time has come."

THE CAPACITY TO GROW FROM WITHIN

While impact investing strives to enter the mainstream, it still is often defined by what it is not. Investors agree it is not SRI. And while impact investing shares many of the goals and strategies of the nonprofit world, it is not philanthropy. Enterprises formed through impact investing are meant to be self-sustaining businesses, capable of growing and turning a profit.

"Scale is what differentiates impact investing from nonprofit entrepreneurship," Rosenzweig says. "If you put the two words together, investing implies return, and impact implies scale. You often can drive impact through scale."

"SCALE IS WHAT DIFFERENTIATES IMPACT INVESTING FROM NON-PROFIT ENTREPRENEUR-SHIP. IF YOU PUT THE TWO WORDS TOGETHER, INVESTING IMPLIES RETURN, AND IMPACT IMPLIES SCALE. YOU OFTEN CAN DRIVE IMPACT THROUGH SCALE."

— WILLIAM ROSENZWEIG, CO-FOUNDER AND MANAGING DIRECTOR OF PHYSIC VENTURES

C.J. Fonzi, MBA '08, who until recently was manager of impact reporting and investment standards for the Global Impact Investing Network, says that for socially motivated enterprises, the ability to grow from within is key. A for-profit solar power company in rural India doesn't have to go back to donors each time it wants to expand to a new village.

"To create a financially sustainable business model that can scale up without being dependent on fund-raising is a very new process and a new idea," Fonzi says.

Some of the biggest players in both finance and philanthropy have taken notice of value-oriented investing, be it SRI or impact investing. The Rockefeller Foundation has funded major initiatives to promote the impact investing industry and to establish standards to measure social and environmental impact. Large investment banks have established SRI and impact funds and supported research into standards for the industry.

"A large number of institutional investors are very cognizant of the need to be socially responsible," says Maureen O'Hara, professor of management and finance. "The problems Nike had with conditions in its overseas factories caused it to change the way it operates. Institutional investors don't want a Nike problem."

DIFFERENT PATHS TO RESPONSIBLE INVESTMENT

Heather Davis '82, MBA '87, is senior managing director and head of global private markets for TIAA-CREF. The financial services organization is the leading retirement provider for people who work in academia, research, and other non-profit fields.

HEATHER DAVIS '82, MBA '87 , SENIOR MANAGING DIRECTOR AND HEAD OF GLOBAL PRIVATE MARKETS FOR TIAA-CREF

KAVITA NEHEMIAH, MBA '12 , PURSUED AN MBA TO MAKE THE MOVE FROM MICROFINANCE TO IMPACT INVESTING

C.J. FONZI, MBA '08 , IMPACT INVESTING AND DEVELOPMENT STRATEGY CONSULTANT AT DALBERG GLOBAL DEVELOPMENT ADVISORS IN JOHANNESBURG

Davis says some clients want to know that their money is being invested in line with their values. TIAA-CREF clients can choose to invest in a fund or account screened for criteria that include social, environmental, and corporate governance standards.

In 2007, Davis was part of a team at TIAA-CREF that proposed the organization buy and manage farmland. Today, TIAA-CREF is the largest institutional agricultural landowner in the United States.

The organization takes a decades-long view to its agricultural and timber investments, which means that it has to be a good steward, according to Davis. "It wouldn't make sense to do anything but to treat this asset in a careful and sustainable way," she says. "You have to do that to have a viable asset down the road. It also happens to be good for the planet, good for communities, and good for people."

Davis also was instrumental in launching TIAA-CREF's "Fruits of Employment" program, which employs individuals with autism and other disabilities at the organization's Badger Mountain orchard in Washington State and White Hills vineyard in California. The work provides employment to disabled individuals, who have proven to be a valuable part of the work force, according to Davis.

"We're not doing this just because we're trying to do good," Davis says. "We have to do well in our investments. This is a great example of how it's possible to do both."

GAINING A "HOLISTIC PERSPECTIVE"

Students are increasingly interested in impact investing, according to Robert C. Andolina, senior lecturer of finance at Johnson. "We're seeing it reflected in students who are coming to graduate school for their MBA with a specific interest in sustainable global enterprise or sustainability," he says. "We're also seeing interest from students in investment banking and in traditional capital markets investing."

Kavita Nehemiah, MBA '12, had worked for a little over three years for a microfinance company in India before coming to Johnson. Early in her MBA program, she attended a conference at the University of Michigan, where several speakers talked about impact investing. "I got really interested in the space," she says. "I wanted to do something in financial services, but I wanted to do something broader than microfinance."

Back on campus, she began talking to professors and other students about the field, and soon lined up a summer internship in India with Seattle-based Elevar Equity. "I was afraid it would be a desk-oriented job and I would just be crunching numbers. It wasn't like that at all," she says. She was assigned to identify investment opportunities for the firm focused on education. She spent much of the summer meeting with entrepreneurs and evaluating their plans.

In the second year of her master's program, Nehemiah has been filling what she calls the gaps in her skill set, taking courses in entrepreneurship, venture finance, and valuation. She aims to get a job in impact investing after graduation.

"When I was in microfinance, I was dealing with just one business model," she said. "It takes more than that to break the cycle of poverty. I wanted to get a more holistic perspective on development. That's what impact investing has given me."

TAKING THE LEAD

Cornell and Johnson have initiated a number of programs that recognize the importance of socially oriented investing and are designed to put the university in step with the emerging field.

In the second semester of the 2011-12 academic year, the Center for Sustainable Global Enterprise launched Cornell's first-ever finance and sustainability colloquium, featuring a series of presentations by seven outside experts and leading finance practitioners attentive to sustainability. Some 34 students took the class, 23 of them from Johnson, and the rest from other schools at Cornell.

Last year, the Center for Sustainable Global Enterprise and the Cornell Institute of Public Affairs began a fellows program allowing a cohort of students to focus on coursework and training that prepare them for careers that combine rigorous financial skills and knowledge of sustainability.

Milstein also served on an ad hoc committee to advise President David J. Skorton on sustainable investments for the university's endowment. And discussions are under way aimed at establishing a social venture fund as part of Johnson's curriculum.

"We have some pieces that are starting to coalesce here," Milstein says. "I think we ought to continue to develop good, hands-on, experiential learning opportunities for our students in this domain, as well as courses that directly address how financial tools encourage or deter sustainability-related investment."

LEARNING AND DOING

Students who want to become part of the growing finance and sustainability field can find extraordinary opportunities at Johnson.

C.J. Fonzi had worked for four years as an IT consultant before enrolling at Johnson. "It was kind of a lucrative job but one I didn't find very satisfying. So I applied to business school because I was really interested in social enterprise."

During winter break in the first year of his MBA studies, Fonzi worked on an ecotourism project in India. In the second semester of his first year, he was assigned to an immersion project in India working for the Acumen Fund, a prominent social venture fund. That summer, he had an internship in Johannesburg with Endeavor Global, a nonprofit that identifies and supports promising entrepreneurs in emerging markets.

He spent the first semester of his second year on campus at Cornell, then returned to India for his last semester at the Indian Institute of Bank Management.

"I really worked the MBA and got exactly what I needed out of it," he says. "I was able to go from somebody interested in this emerging sector but with no experience to someone with quite a bit of experience."

After graduation, he spent two years in India, working first for DuPont, then the Clinton Foundation. He returned to the United States in 2010 to accept a post with the Global Impact Investing Network, a nonprofit established to guide the growth of the impact investing industry. With that organization, Fonzi helped to develop standards that investors can use to assess the non-financial aspects of firms.

Early this year, Fonzi accepted a position with Dalberg Global Development Advisors, working in the Johannesburg office of the international consulting firm. He will advise clients on socially and environmentally oriented ventures in Africa.

"I'm happy to be going back," he said in an interview shortly before his departure. "Ever since I came home from India, I've missed being on the ground. I missed being where the impact hits the road."

> "THIS IS DEFINITELY THE WAY OF THE FUTURE. AS WE MOVE INTO THE NEXT GENERATION OF INVESTORS WHO HAVE GROWN UP GREEN, IT'S GOING TO BECOME A KEY ELEMENT OF INVESTING."
>
> — PROFESSOR SANJEEV BHOJRAJ, FACULTY DIRECTOR OF THE PARKER CENTER FOR INVESTMENT RESEARCH

A NASCENT INDUSTRY TESTS ITS LIMITS

Despite a period of strong growth, socially motivated investing still has some maturing to do, according to analysts.

"It's hard to define," says O'Hara. "This whole area reminds me a bit of the question, 'What is organic food?'" When a term's definition is murky, almost anything can be put into the category, she says.

Milstein agrees that people need to be clear when they use the terms socially responsible investing and impact investing. "You can be having a conversation with someone and you could be talking about two completely different things."

While Rosenzweig is a strong believer in impact investing, he does see its limits. "There are certain problems in society that really can't be fixed with a market-based solution because there is no customer that can pay," he says. Homelessness, medical care for the very poor, and other symptoms of extreme poverty may be beyond the reach of impact investing, Rosenzweig says.

Milstein believes the field would benefit from attention from academics. "Top academic researchers really haven't spent much time on this. Industry has been out ahead of the academics. We need to be asking questions from a research standpoint so that we can really understand this space and the types of investments that are being made."

Businesses that pursue profits while producing benefits for society face important financial challenges, and researchers could help to identify those challenges and come up with answers, according to Milstein.

"I'd like to see the academic field have something insightful to say about these things, and I'd like Cornell to be at the forefront," Milstein says.

Robert Preer, a correspondent for the *Boston Globe* and contributing writer for *CommonWealth* magazine, writes regularly about trends in finance and business for *Cornell Enterprise*.

smart sailing *in* tough times

creative practices help nonprofits steer through a perilous economy

by merrill douglas

Just as it has for businesses and governments, the global financial crisis that started in 2008 has triggered tough times for nonprofit organizations. From 2007 through 2011, for instance, the 400 largest U.S. charities saw donations fall by a collective $6 billion, according to the *Chronicle of Philanthropy*.

Recent news indicates that prospects are growing brighter. A 2011 survey by *Giving USA*, for example, noted that charitable donations rose by 2.1 percent in 2010. And in January 2012 the *Wall Street Journal* found at least a few large charities toasting the results of record-breaking fundraising drives.

But a surge in gifts in some quarters doesn't mean it's time for nonprofits to relax. As federal, state, and local governments struggle with alarming deficits, many organizations that rely on public funds have seen that revenue stream taper off. Organizations with endowments still must keep a sharp eye on their investments. And as unemployment remains high, nonprofits of all types — from domestic violence shelters to historical societies to symphony orchestras — must work harder for donations, memberships, and ticket sales.

On top of that, nonprofits in the human services field face a double bind. Just as the weak economy has forced many food pantries, job training centers, low-cost clinics, and others to trim their budgets, they've seen demand for their services soar. "These are organizations that are already pretty lean," observes Ingrid McKenney, MBA '01, a fundraising consultant based in the San Francisco area. There's little left for them to cut except program staff or fundraising staff — and neither choice bodes well for the agency's mission.

For a nonprofit, surviving — or even thriving — in a rough economy takes focus, creativity, a sense of balance, and a strong dose of courage.

fishing *for* attention

Smart marketing, for instance, is always essential, but even more so when an organization must compete for scarce discretionary dollars.

Consider the cash a family might spend on getting close and personal with stingrays or sharks. "People cut back on things like attractions when money gets tight," says Robert Ramin, MBA '85, executive director of the National Aquarium in Washington, D.C. Founded by the U.S. government in 1932, the National Aquarium in Washington, D.C. became a private nonprofit in 1981. In 2003 it forged an affiliation with the National Aquarium in Baltimore. Today, while they maintain separate finances and governance structures, the two venues share a membership program and a number of back office services.

The aquarium in D.C. finds competition for visitors especially fierce because it charges admission, while many other attractions in that city, such as the Smithsonian museums, do not. As visitors started arriving with less money, the National Aquarium was forced to hone its sales pitch. "We focused more on how this is a great investment of your time and your hard-earned lesiure dollar." Ramin said.

Robert Ramin, MBA '85, executive director of the National Aquarium in Washington, D.C., with General George, a stars and stripes pufferfish, also known as a white spotted pufferfish.

Oleander, the albino alligator that took up temporary residence at the National Aquarium in October 2011, became the focus of an ad campaign, and generated free media buzz.

share of mind

Like Ramin, Robert Schultz '77, MBA '78, contends that staying in front of the public is essential. As president of the Causeway Agency, a Westport, Conn. marketing firm that supports good causes, Schultz helps nonprofits and government agencies such as the American Kidney Foundation, the National Crime Prevention Council, the U.S. Fund for UNICEF, and the U.S. Environmental Protection Agency get out their messages and promote their brands.

"Our clients realize that even in difficult times they need to maintain, or even try to enhance, their presence, their share-of-mind, and their share-of-wallet," Schultz says. The ultimate goal might be to get people to write checks, but it also might be to prompt other actions — perhaps to get medical exams, stop buying counterfeit merchandise, or buy fuel-efficient cars.

Several strategies help Causeway develop effective campaigns even when clients have little to spend, Schultz says. When creating a TV spot, for example, the agency shops hard for a production firm that can support the creative vision on a tight budget.

"We've got some beautiful animal images, and we use them to stand out in a crowded marketplace."

— Robert Ramin, MBA '85, executive director of the National Aquarium in Washington, D.C.

Causeway also stretches marketing dollars by using social media and obtaining public service announcements (PSAs) — print, outdoor, and broadcast ads for nonprofits and government agencies, with time and space donated by the media.

"For every dollar that a client spends with us distributing a PSA campaign, we can generate on average more than $55 in donated media," Schultz says.

Just as the National Aquarium made itself shine in a crowded tourist market, Causeway has helped one recent client, ChildFund International of Richmond, Va., set itself apart from other charities that help impoverished children.

ChildFund used to employ the same approach as many other charities with similar missions — for example, using images of starving children with distended bellies. "In our opinion, the category had become a little clichéd in terms of imagery and messaging," Schultz says. While one doesn't want to minimize the struggles of these children, he says, such over-used images no longer provoked a response from the public.

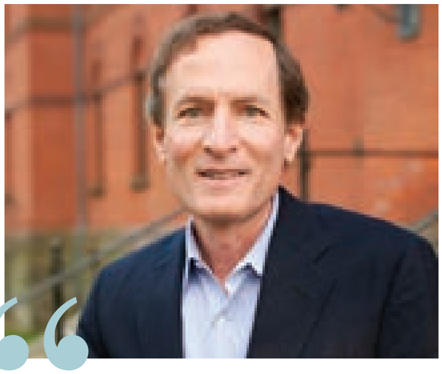
To make ChildFund stand out, Causeway decided to highlight the organization's use of innovative technologies to fight poverty. For example, ChildFund had installed solar lighting in a school in Kenya so students could study later into the evening. It also had introduced energy-efficient wood stoves that village youth in Uganda could build and sell, earning them money while reducing pollution.

"The campaign has performed very well," Schultz says. It's captured lots of free broadcast time and billboard space, and the market seems pleased with the new message. "The client has gotten lots of positive feedback from their key constituents."

well-connected

Beyond getting out the word about their work, nonprofits that rely on donations must work hard to build strong, ongoing connections with their supporters, says Christy Louth, MBA '10 (Cornell-Queens), executive director of the Clinton Giustra Sustainable Growth Initiative (CGSGI) in Vancouver.

"You have a younger generation that's coming up that really wants to engage," Louth says. Older donors these days also want more than a thank-you note and an annual report, she adds. They want opportunities to see their money at work.



> ***Our clients realize that even in difficult times they need to maintain, or even try to enhance, their presence, their share-of-mind, and their share-of-wallet.”***
>
> — Robert Schultz ’77, MBA ’78, president of the Causeway Agency

A registered Canadian charity, CGSGI is an initiative of the William J. Clinton Foundation that works to decrease the wealth gap in the developing world, particularly in Colombia, Peru, Mexico, and Haiti.

With anchoring commitments from Canadian philanthropist Frank Giustra and Mexican philanthropist Carlos Slim, CGSGI has weathered the economic downturn well, Louth says. But the organization also relies on other individual donors and corporate sponsors, and it strives to make those donors feel they have a stake in the charity’s activities.

For example, CGSGI welcomes major donors who join staff members on visits to project sites. “I think it’s very important for them to see where the money is going and to meet some of the beneficiaries,” Louth says.

Low-cost information technology will help CGSGI push this strategy even further in the future. Already, employees working in the field are using the Salesforce.com platform to upload data about their projects into the “cloud,” making it available to Louth in real time on her iPad. “At any point, I can drill down to ask, for example, ‘How many cataract surgeries have we done in Peru? What regions have we had campaigns in this week?” CGSGI can give that kind of access to donors as well.

“We even have cameras set up on one of our projects,” Louth says. With a $10 mobile app and a password, donors can watch individuals gain construction skills and prepare for certification on-site at a low-income housing project in Soacha, Colombia. Because these tools and others like them are don’t cost much, smaller charities might also use them to make supporters feel more deeply involved in their missions, Louth says.

show us what works

Not all segments of the nonprofit world are scrambling for funds. Some organizations, including some focused on education, have actually seen more funding become available since the start of the recession, says Barbara Sullivan, MBA ’00, portfolio manager for education at Strategic Grant Partners (SGP) in Boston. But that money often comes with greater demands for accountability.

A collaboration of 15 family foundations in Massachusetts, SGP makes grants to organizations that help struggling individuals and families and also provides grantees with pro bono consulting services. The grantees that Sullivan works with range from individual schools to grassroots advocacy groups focused on urban education.

The federal government in particular has offered more funding for education in recent years, Sullivan says. “But it’s very much targeted towards things that work, and the ability to scale them.” Due to the weak economy, she says, funders in general are putting more emphasis on programs that show measurable results.

“They want the highest ROI [return on investment],” Sullivan says. “If they’re spending their money philanthropically, a lot of funders want to feel that it’s highly leveraged and highly valued.”

In response, nonprofits are striving to operate more efficiently and thinking hard about who stands to benefit most from their services. “If they do need to streamline, they’re making sure they’re

> ***Earned revenue can suggest that the organization might not need individual gifts as much. The perception has to be managed.”***
>
> — Ingrid McKenney, MBA ’01, fundraising consultant

still working with the highest-impact clients," Sullivan says.

With more money available for education, Sullivan has been helping organizations pursue grants more aggressively, but only when those grants are a good fit. "Sometimes the energy it would take to get the grant would be too much," she says. And an inappropriate grant might distract an organization from its core mission. "They're trying to make a grant fit because they want the money, but it shifts their work in a way that might not make sense."

For nonprofits in general, one key to thriving in a tough economy is to maintain a diversified funding base, Sullivan says. "Organizations I've seen weather this most successfully have a nice balance of small individual givers (because those folks tend to give year after year), some foundation grants, and some government money." Along with aiming for a broad base of donors, some nonprofits are trying to develop an entirely different kind of revenue — the kind that's earned, says McKenney.

earned income

Of course, many organizations raise income by selling T-shirts and other merchandise. But these aren't necessarily the most effective efforts, McKenney says. "They don't build community relationships in a meaningful way."

A better strategy, she says, is to conduct a venture tied to the organization's mission. Some animal welfare organizations, for instance, operate veterinary clinics

While efforts of this sort can help, an organization must make sure that its supporters understand how earned revenue fits into the bigger fundraising picture. "Earned revenue can suggest that the organization might not need individual gifts as much," McKenney says. "The perception has to be managed."

For another example of a smart attempt to add earned revenue to the mix, McKenney points to one of her clients, the YWCA of Salt Lake City. Leaders there are thinking about marketing an educational program developed in-house to a wider audience.

First created to teach incarcerated women to build and maintain healthy relationships, the program might also be useful, for example, to corporations that want to offer it as a benefit to employees.

"It's so tied to their mission that it makes a lot of sense," McKenney says. And it might help the YWCA forge relationships that will pay off in other ways in the future.

Relationships can help nonprofits not only to bring in money, but also to cut costs. Nonprofits sometimes collaborate with like-minded organizations on programs or fundraising, of course. But unfortunately, McKenney says, few of them seize the chance to share services — for example, by using one office to manage data processing or human resources for several organizations.

"We're basically applying good business-school practices in the nonprofit world."

— Kenneth Colling, MBA '69, president and CEO of Seattle Goodwill

"Some of that comes from ego," McKenney says. Organizations' leaders can be so focused on saving the world in their own way that they're reluctant to join forces. Leaders may also want to protect jobs — "which, fundamentally, is not relevant," she says. "If you want to carry out your mission as effectively as you can, you create efficiencies to achieve the best model."

Kaizen in the *thrift shop*

Of course, organizations also look inward for ways to cut costs. Toward that end, Kenneth Colling, MBA '69, president and CEO of Seattle Goodwill, has been using process improvement strategies borrowed from for-profit industry. "We're basically applying good business-school practices in the nonprofit world," he says.

Seattle Goodwill, an independent organization affiliated with Goodwill Industries International, offers a broad array of programs that help economically disadvantaged people develop job skills and find employment. It serves a five-county region in northwestern Washington state.

More than 90 percent of Seattle Goodwill's revenues come from donated items, which the organization sells in its 21 thrift stores, two outlet stores, online, and through the global salvage market.

For a charity such as Seattle Goodwill, the recession is a double-edged sword, Colling says. On one hand, more people are shopping in thrift stores, "and we're still receiving a good stream of quality donations." But if the economy stays sluggish for too long, the number and quality of items that people donate could drop.

Meanwhile, demand for Goodwill's services continues to grow. Traditionally, most of its clients are people with no job experience, or people who have trouble finding work because they're homeless or have served time in prison. "Now we're also seeing more middle-aged or older people who have been laid off after working for the same company for many years," Colling says.

To meet the new demand, Seattle Goodwill is adding both training centers and thrift stores. And even before the recession, it had started applying the principles of Total Quality Management to all sorts of functions — from registering students to routing the trailers that collect goods from donation centers to operating thrift stores.

For example, Seattle Goodwill has used *kaizen* — the principle of continuous improvement pioneered by Japanese automakers — to find more efficient ways to sort piles of donated items and apply price tags.

"There are a lot of steps in that process that you can eliminate," Colling says. To identify those steps, teams of employees have met for formal kaizen events, in which they analyze the work to devise better methods. "Then you've got to keep measuring the gains and your improvements," Colling says. "Otherwise, you can't keep moving forward."

If a weak economy forces more nonprofits to become more efficient and effective, ultimately the story of the recession will produce a happy ending.

"Nonprofits tend to be very opportunistic, especially in the early years," says Sullivan. "But often that leads to some very diversified work that doesn't always play to their core competencies. I think the tighter funding environment helps them focus on the things that make the greatest difference."

That's true on the program side, and it's also true for fundraising and operations at the most successful organizations. "We're working harder and making our funding go farther, and that's not going to stop," Ramin says. "That, to me, is a real silver lining."

Freelance writer Merrill Douglas regularly covers issues affecting nonprofits and corporations.

no credit crunch *for* development bank

In the months following the Lehman Brothers bankruptcy in September 2008, even the most credit-worthy Latin American and Caribbean nations had trouble borrowing money to finance development projects. But the Inter-American Development Bank (IDB) remained a steady source of credit for its member countries in the region.

"We were actually able to increase our lending in 2008 and 2009 compared with previous years," says Ed Bartholomew '80, MBA '82, the IDB's chief financial officer and manager of its finance department.

A multilateral development bank based in Washington, D.C., the IDB makes loans to national, provincial, state and municipal governments, and to nonprofits and private-sector companies. These loans support projects designed to eliminate poverty and inequality, and to encourage sustainable development. The IDB is owned by 48 member countries, including 26 borrowing countries and 22 that do not borrow.

To support its loans, the IDB has about $21 billion in equity, including both capital paid in by member countries and earnings accumulated over its 50 years of operations. It also borrows money in the international bond markets — $10 billion to $15 billion in a typical year — allowing it to support more than $66 billion in outstanding loans to the region at the end of 2011.

Because its financial policies are extremely conservative, the IDB maintained good access to credit markets even during the worst of the financial crisis, Bartholomew says. Still, demand for lending in the region that the IDB serves has increased in recent years. To meet this greater demand, in 2010 the IDB's Board of Governors agreed to increase the bank's ordinary capital by $70 billion.

This means the 48 member companies have agreed to subscribe to new shares in the bank. Each country will contribute some new money, but much of the commitment comes in the form of "callable capital" — money that the countries stand ready to provide in the future should the bank need it, and against which the IDB can borrow. As a result of the general capital increase, the IDB can sustain loan approvals to the region of about $12 billion per year, versus $6 billion to $8 billion per year before.

This sort of general capital increase is a used by many multilateral development banks. It's the ninth such increase in the IDB's history.

At a time when many economies are struggling, of course, making this further commitment to the bank is not an easy decision. "The general capital increase discussions are always time-consuming," Bartholomew says. The fact that the bank has never in the past actually called in the pledged capital probably makes the decision easier, he says. "They each have to evaluate whether they're able to make that commitment. And in our case, they have."

"We were actually able to increase our lending in 2008 and 2009 compared with previous years."

— Ed Bartholomew '80, MBA '82, CFO, Inter-American Development Bank

FAMILY MATTERS

BY DAVID MCKAY WILSON

Clear policies and roles go a long way in facilitating smooth transitions and operations in family businesses.

Nick Matt, MBA '73, chairman and CEO of Matt Brewing Co. since 1989, never intended to lead the company founded by his great-great-grandfather a century earlier. The youngest of the family's third generation, he embarked on his own business career, rising to become president of Procter & Gamble's Vicks Health Care Division.

By the late 1980s, however, Matt beer sales were so flat that one branch of the family wanted to sell the business. Nick's branch still had hope. So those Matts decided to buy out their cousins, and turned to Nick to save the historic regional brewery in Utica. He replaced his older brother, F.X., in a shuffling at the top in which F.X. was named chairman, and Nick became president.

"It was awkward because I was 12 years younger than him," recalls Nick Matt. "It was a bit embarrassing for him, so I never said in public that I was the boss, which would have diminished him in the community. But he knew and I knew that I was the one who made the decisions."

The passing of the torch at Matt Brewery is one example of how families negotiate the tough decisions that confront all businesses, and family businesses in particular. Those decisions can be intergenerational, or they can take place between siblings or cousins vying for the family crown. They can split families and lead to an enterprise's dissolution. Or they can forge bonds that ensure a profitable future as well as heartfelt toasts around the Thanksgiving table.

Family businesses comprise a huge part of the U.S. economy, contributing 64 percent to U.S. gross domestic product and employing 62 percent of the U.S. workforce, according to Joseph Astrachan, former editor of the peer-reviewed *Family Business Journal*, a board member of the Family Firm Institute, and professor of family business at Kennesaw State University. Astrachan's research also shows that more than 30 percent of all family-owned businesses survive into the second generation. Twelve percent will still be viable into the third generation, with only 3 percent of all family businesses operating at the fourth-generation level and beyond.

A host of Johnson alumni lead family-owned businesses, including several who have shepherded their companies into the third generation and beyond. SC Johnson — the company that refers to itself as "a family company since 1886," and whose founder, Samuel Curtis Johnson, is the school's namesake — is led by fifth-generation descendent H. Fisk Johnson '79, MEng '80, MS '82, MBA '84, PhD '86, who is both chairman and CEO. Fourth-generation brothers Ashish Bharat Ram, MBA '94, and Kartik Bharat Ram, MBA '99, have successfully made the transition at SRF, Ltd. in New Delhi, India, via well-defined leadership roles and a detailed family constitution that spells out company policies. At Banfi Vintners headquarters in a 60-room Long Island manor, James Mariani, MBA '91, and his cousin, Cristina Mariani-May, became co-CEOs, creating an unusual leadership structure at North America's leading wine importer, to usher in leadership of the company's third generation. The Matt family found a way to revive their upstate brewery by looking to the youngest in their third generation, Nick Matt; and he, in turn, is grooming a member of the fourth generation.

Brothers Kartik Bharat Ram, MBA '99, managing director, and Ashish Bharat Ram, MBA '94, deputy managing director, at SRF Limited in New Delhi

"The facilitator keeps the meetings going, and helps out when we get stuck. The meetings can get rough at times. But following these meetings, there is more harmony in our lives."

— KARTIK BHARAT RAM, MBA '99, DEPUTY MANAGING DIRECTOR AT SRF LTD.

SETTING FAMILY BOUNDARIES

Structures that create healthy boundaries within family businesses can help them thrive, says Jane Hilburt-Davis, a family-business consultant in Boston and author of *Consulting to Family Businesses: Contracting, Assessment, and Implementation*. So are governance structures that allow family members to meet periodically, often with an outside consultant running the session.

"They need to build in processes and protocols, so you have a way to make decisions," she says. "There are so many issues that come up, which may have roots in the past. A rich family history is like glue: It can hold a family together, or be so sticky that the family can't move forward."

Such protocols have proven beneficial for the Bharat Ram brothers in New Delhi, where they've been working together since 1999 at SRF Ltd., which manufactures nylon cord for tires, chemicals, engineering plastics, and industrial yarns at plants in India, South Africa, Thailand, and the United Arab Emirates.

Those protocols include a family meeting every two months, facilitated by an outside advisor. Present are the brothers, their parents, and their wives, who are involved in the family nonprofit organization that runs three schools.

"The meetings are useful to bring out issues and get them resolved," says Kartik Bharat Ram. "The facilitator keeps the meetings going, and helps out when we get stuck. The meetings can get rough at times. But following these meetings, there is more harmony in our lives."

SRF Limited is the latest incarnation of a business founded in 1889 by Dr. Lala Shri Ram (great-grandfather of Kartik and Ashish), which developed into a diversified company that manufactured electronics, chemicals, synthetic fibers, and auto parts.

That conglomerate, however, splintered in the third generation, with their father, Arun Bharat Ram, taking ownership of SRF Ltd., a public company in which the Bharat Ram family owns 50 percent of the stock. Arun remains chairman of the board while the brothers run the company, with the elder brother, Ashish, 43, serving as managing director, and Kartik, 40, serving as the firm's deputy managing director.

To guard against sibling rivalry, the brothers are paid the same, even though Ashish is the company's top executive. "We make the same, down the rupee," says Ashish. "There's never a situation where we can argue over who gets more."

The company policies extend to the use of what's called "common family funds," a pool of company dividends that can be used for travel, medical expenses, home repairs, and education.

The brothers have also divvied up corporate responsibilities in a way they say will guard against the competitiveness that led to the larger company's dissolution during the third generation. The three uncles each ran a division of the company, and competed for resources through the family holding company.

At SRF, Ashish is on the frontline, in charge of operations, finance, and corporate strategy, while Kartik runs human resources, information technology, and corporate communications. Two chief operating officers report to the brothers.

"The previous generation had problems because they were fighting for resources to push their own projects," says Kartik. "We aren't competing for resources. We are working toward the same goals by taking care of different functions."

KEYS TO SUCCESS: A BUSINESS PLAN, AN EXIT STRATEGY, AND DEFINED ROLES

For decades Jerry Hass, James B. Rubin Professor of Finance emeritus, taught Johnson students the value of a well-crafted business plan. In 1999, he put that wisdom to work for himself and his family when he partnered with his daughter and her husband, Marna and Andy Boerman, to buy the Ithaca Agway on South Fulton Street.

Hass knew the stakes were high.

"If I risked $10,000 and lost it, then my wife and I could say, 'There goes the vacation,'" says Hass, the company's treasurer." But when you are risking someone else's $10,000, and they are going to be with you for the rest of your life, and you aren't married to them, then you really feel the pressure to make sure it's going to work out."

The purchase developed during the holiday season in 1999, when the Boermans visited Ithaca from Arizona and learned that the local Agway was up for sale. Hass liked the idea of his daughter coming back to town, and subsequently agreed to a 50/50 arrangement on the purchase of the retail business, which sells lawn and garden supplies, farm products, and pool supplies.

Three days after learning the Agway was on the market, Hass and the Boermans met with an Agway representative at a Denny's in Syracuse. They spoke for 10 minutes. The rep handed them the company's financial statements, and declared they had 20 days to decide whether to move forward.

"We went from being relatives to business partners in those 20 days," says Hass.

They worked hard on the business plan, making sure all potential risks were addressed, including their ability to run the business. His daughter had retail experience at Lady Foot Locker, and his son-in-law, Andy, a 1991 graduate of Cornell's School of Agriculture and Life Sciences, was a rep for chemical agricultural products. Hass was the finance expert.

> "I had to trust. That's an aspect of any joint venture, and it becomes very important in a family business."
> —PROFESSOR EMERITUS JERRY HASS

Professor Jerry Hass with his daughter and her husband, Marna and Andy Boerman, with whom he partnered to buy the Ithaca Agway.

Mutual respect, says Hass, was the key.

"That was part of my due diligence from the start," says Hass. "I had to trust. That's an aspect of any joint venture, and it becomes very important in a family business."

Their plan also included an exit strategy for Hass: a buyout agreement that the Boermans could execute when the time was ripe. In 2010, they exercised it. While stepping down as a co-owner, Hass has remained as the company treasurer, maintaining its relationship with the banks, and handling its pension and profit-sharing program.

"We had that agreement settled the day we bought the business," says Hass. "That's the time you want to do it — when you are excited about the prospects, and have no intention of exercising the option. This way, it's no longer personal when the time comes."

A clear delineation of duties also helped, says his daughter, Marna. "Jerry has never given us any suggestions on how to run the business," she says. "He was our money-cruncher. Once in a while, he'd come to help out on a busy Saturday, but otherwise, he stayed out of it, so there wouldn't be any issues."

SHARING THE TOP SPOT AT BANFI

Developing the right leadership structure can be tricky as the new generation emerges. That became an issue in the late 2000s at Banfi Vintners, founded by John Mariani on Spring Street in Manhattan's Little Italy in 1919. The company, which has Italian wineries in Tuscany and Piedmont, also imports such labels as Bolla, Cecchi, and Fontana Candida.

Succession was an issue when brothers John and Harry Mariani, who were partners in the company's second generation, looked to pass the company on to their children. What emerged was an unusual arrangement between Harry's son, James Mariani, MBA '91, and John's daughter, Cristina Mariani-May. In 2008, they became co-CEOs, running the company with the support of its advisory board of non-family members. They developed the structure with help from the Family Business Development Group of Chicago.

"The co-CEO arrangement potentially leads to obvious management issues," says Mariani. "There are few case studies available for such a unique management system in a family-owned and -managed business."

That structure has presented challenges for in-person meetings of the cousins on a weekly basis, as both are often on the road crafting wine deals in Europe and South America. But they've worked it out at the Banfi headquarters, located on a 127-acre estate and vineyard in Old Brookville, NY.

"The division of roles and responsibilities is, at times, fuzzy," says Mariani. "But, it is supportive of natural absenteeism that comes with travel, and permits time-sensitive decision-making when needed."

> "[My children] needed to go elsewhere to work, to get experience, and see other business models."
>
> —NICK MATT, MBA '73, CHAIRMAN AND CEO OF MATT BREWING CO.

Nick Matt, MBA '73, CEO and chairman of Matt Brewing Co. in Utica, N.Y.

James Mariani, MBA '91, is co-CEO of Banfi Vintners along with his cousin, Cristina Mariani-May.

BREWING SUCCESS FOR THE MATTS

While the Marianis have divided the top job, the Matt family has thrived with Nick Matt in charge. In the early 1990s, he realized that the brewery couldn't compete with its Utica Club and Matt's brands in the market for low-priced beers against powerhouses like Busch, Old Milwaukee, and Miller Light. So Matt Brewing launched its Saranac line of premium ales and lagers, which have found a niche among beer drinkers willing to pay higher prices for a beer with both body and taste.

Now 66, Matt is looking to the next generation to carry on the family tradition. When he took over in 1989, he recruited his nephew, Fred Matt, an advertising account supervisor, to join him as they rebuilt the company. Fred, who led the company's sales force for many years, has served as the company's president and chief operating officer since 2008. "Fred has been a great part of what has happened," says Nick Matt.

Matt says he drew great strength by developing his professional skills at Procter & Gamble, which prepared him for the challenge of bringing Matt Brewing Co. into the 21st century. He encouraged his children to look outside the family company, as well. "They needed to go elsewhere to work, to get experience, and see other business models," Nick says.

At this point, none of them work in the beverage industry. Sarah, 35, works in an ad agency; Kelly, 33, is in the clothing industry; and Nicholas, 31, works for Procter & Gamble, as his Dad did back in the day. While there are no plans for them to come home to the Utica brewery, Matt says that if and when they do, they'll learn the ethos that has helped the company claw its way back in the competitive beer market, and prosper.

"If you have a family business, you need to run it like a business," he says. "It's not a family. It's a business, and if you lose that focus, you'll have problems."

David McKay Wilson writes for alumni magazines across the country.

BY COELI CARR

BRIGHT HORIZONS

In her five years leading Horizons National, a nonprofit serving low-income and educationally disadvantaged students, Lorna Smith has helped transform the organization into one of the top summer-learning organizations in the U.S.

What if schools that typically shut down in the summer stayed open to offer underserved, local youth a chance to play educational catch-up? Horizons National forms partnerships with schools to do just that: Its six-week summer program blends high-quality academics with cultural enrichment and confidence-building activities. The result? Students caught in the achievement gap gain the tools and support they need to become successful and confident college-bound students.

Lorna Smith joined the national nonprofit eight years ago, became executive director three years later, and was named CEO in 2010. Growing up during the turbulent civil rights activism of the sixties, she became a staunch advocate of social justice. Not surprisingly, Horizons' mission to close what she describes as "a gap of opportunity and resources" resonated strongly with her.

Creating a Unified Network

When Smith came on board, the only other employee was the executive director. "With just the two of us, it was a like a startup in many ways," she says. "Our annual budget was a meager $250K, so we had nowhere to go but up." The duo's goal was to add more affiliate schools to the organization's dozen sites. But Smith quickly saw a more pressing need.

The 12 affiliates that were already part of Horizons' network behaved as separate entities, and had only minimal ties with both the central office and their sister sites. Smith knew that to secure the outside funding needed to expand, Horizons would have to identify itself as a national organization. This meant all its affiliates had to be part of a unified system and infrastructure.

"We knew, if we listened to our affiliates and understood their needs and how they operated, we'd be able to enlist their energy in developing Horizons' core principles and building program consensus," she says. "We've worked very hard to find that sweet spot — that balance between standardizing and encouraging local innovation and ownership."

Through meetings and visits, Smith heard what the affiliate-sites needed and wanted: funding support; centralized resources, including standardized procedures to assess student progress and evaluate curriculum; opportunities for professional development; and quality control for Horizons' programs. Smith oversaw the creation of affiliate agreements detailing the responsibilities of both affiliates and the central office. "We really prepared ourselves for our growth," says Smith.

By 2008, summer learning had become a hot topic in educational reform, and Smith felt the time was ripe for Horizons to double its affiliates and promote the brand. Around this time, educational nonprofits seeking funding were being required to provide rigorous evidence of their successful outcomes. Fortunately, three educational research studies conducted by Yale University demonstrated the beneficial impact of Horizons' approach.

Quantifying Horizons' successes is a discipline close to Smith's heart. At one of her earlier jobs after college — as circulation director for a legal periodical — Smith realized she needed better tools to determine which solicitation tactics elicited the most responses from readers. "That's when I knew I had to learn how to better collect and analyze data," she says. So she came to Johnson to get her MBA.

Funding Efficiency

Beyond data collection, Smith prides herself on spearheading the innovative funding model that Horizons has developed. "Our funders love that we leverage every dollar they give us two or three times, so that it generates three to five times the value of the original contribution," says Smith. "We have a very efficient funding model."

Affiliates reach out to local funders, while the Horizons central office facilitates their access to donations from "the broadest possible range of private philanthropy," as Smith describes it. "The small size of the new affiliates would prohibit their access to large national

PROFILE IN LEADERSHIP

Lorna Smith, MBA '87

funders, and the national office would similarly have no access to meaningful local philanthropy," she says. "However, the Horizons' model, which allows national funds to flow to new affiliates, connects corporate and local philanthropy."

Supporting Affiliates

Horizons facilitates communication among affiliates, providing free monthly conference calls for the affiliates' executive directors and hosting two annual conferences for all affiliates. "This shared information allows Horizons to become a clearing house of innovative ideas and best practices," says Smith. "One affiliate might describe a particularly successful fundraiser and share this strategy with other affiliates. Or a teacher might describe an effective approach with students, prompting other affiliates to try it."

Empowering the affiliates' teams is also part of the plan, says Jenny Leger, an early-childhood educator who served for seven years as executive director of the Colorado Academy affiliate in Denver. "When Lorna visited us, she was always so generous with her praise of our teachers, who gave up their summers for this worthy endeavor," says Leger, now a consultant for Horizons. "Her words empowered their spirits, and eighty percent of them returned to teach in the program over subsequent summers."

Seizing Opportunities

Historically, Horizons' model for adding affiliates focused on building long-term learning communities with independent and private K-12 schools. The schools provide campus space — and often business and maintenance services — free of charge. Now, Horizons' affiliate roster includes five institutions of higher learning: two community colleges, two small, private colleges, and one graduate school of education. Smith believes they are a good fit. "Many institutions of higher learning, especially community colleges, believe in the 'cradle-to-career' support of their communities," says Smith, adding that remedial education — one of Horizons' hallmarks — is often a key component in serving the local population.

"We're taking a good, hard look at what we have to do in adjusting our business plan and its goals," she says. It's all part of staying nimble, a trait Smith has used to green-light affiliate-generated ideas. For example, all Horizons' summer programs began at the first-grade level for youngsters who had completed kindergarten. However, Meredith Laban, executive director at the Dedham Country Day School affiliate outside Boston, wondered what would happen if sites welcomed even younger children. Last fall, she proposed a pilot, pre-kindergarten program at her site to begin this summer. "Lorna is very supportive of innovation and she agreed to provide the funds for us to launch the pilot," says Laban. "She trusts her executives and teachers to be successful."

The fruits of Smith's multi-faceted outreach are quantifiable. "In any given year since Horizons' existence, the most we had ever increased our affiliates was by two," she says. "This summer, we're adding six new ones; we had planned to add five. And, because we had the resources in place — both financial and organizational systems — we could absorb them all."

These new sites bring the total number of Horizons affiliates to 26; Smith expects to double that number by 2016. "We're on a steep growth trajectory," says Smith, who's well aware that well-executed expansion may garner more interest and support. In 2011, Horizons served 2,015 students in 10 states through 20 affiliate programs; it employs 10 full-time employees, and stays lean by contracting with consultants.

Jane Williams, chair of Horizons' national board of directors, points out that there can be challenges to heading a growing organization. "We had to trust when we appointed Lorna to lead Horizons, she would also be the ideal person to shepherd our organization into tomorrow," says Williams, who's also the producer and host of "Bloomberg EDU," a radio program. "She not only has that flexibility, but also the vision to see what's around the corner. How does a board of directors get so lucky?"

In many ways, Horizons offers the ideal platform for Smith's mix of market-research expertise, entrepreneurial skills, and social principles.

"When I started working here, it felt like home and I remember thinking, 'This program has so much potential, like a seed waiting to blossom,'" says Smith. Many would agree that Horizons, a 2010 recipient of the Excellence in Summer Learning award from the National Summer Learning Association, the industry's policy and advocacy organization, has achieved full bloom.

Coeli Carr writes about business topics. Her articles have appeared in *The New York Times*, *Time*, portfolio.com and many other publications.

> "Horizons' model, which allows national funds to flow to new affiliates, connects corporate and local philanthropy."

What's News With You?

Please send updates about your career, family, honors, or other news. Your classmates want to hear from you!

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Call us at 607.255.9437, or fax us at 607.255.2075

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Cornell Enterprise is happy to publish photos along with your news in the Class Notes section. We're happy to scan and return color slides and prints, and we can use digital photos if the resolution is high enough (we recommend at least 300 dpi at 4"x6").

(A) denotes a graduate of the Accelerated MBA program

(E) denotes a graduate of the Executive MBA program

(CQ) denotes a graduate of the Cornell-Queens Executive MBA program

THE 1950s

CLASS OF 1954

Sandy Posner '53, JD '57, hopes alumni in the classes of the '50s and '60s will continue to stay in touch. He says: "Inasmuch as many of us are retired, there probably is not much to report. But, thanks to our years at Cornell, we are still executives and financiers … seeing the years adding up, our families multiplying, and our monies dividing."

CLASS OF 1957

William V. Abt and his wife, Dorothy, live in Mystic, Conn., where Bill is an elected artist member of the Mystic Arts Center.

Howard Davidson and his wife, Jackie, live in Rochester, N.Y., and enjoy concerts at the Eastman School of Music. He is involved in a senior learning program at RIT as a participant and presenter, and has "finally put the golf clubs away." Howard says he plans on coming back to campus for a day of Reunion 2012.

THE 1960s

CLASS OF 1960

Tom Kemp '59 still works part-time as a consulting CFO to a

number of high-tech, venture capital-backed firms, and as a board member of WinWholesale, a large privately held plumbing, electrical, industrial distribution company based in Dayton, Ohio, and with locations throughout the U.S. As a member of Johnson's Dean's Leadership Committee, Kemp is committed to making leadership-level gifts to the Johnson Annual Fund, and reaches out to encourage others to make similarly significant gifts. He says, "I feel that giving back helps to ensure that other students get the same great and life-defining opportunity I had."

CLASS OF 1962

Walter W. Buckley Jr. '61 is "still working and happy about that!" He is involved with "a handful of boards": Civil War Trust, Woodrow Wilson National Fellowship Foundation, and Episcopal Church National Endowment.

Michael L. Dunn is retired and lives in Annapolis, Md., with his wife, Georgianna.

Daniel C. M. Crabbe '61 is "retired and having lots of fun." He and his wife, Nancy, live in Locust, N.J.

David W. Griffiths and his wife, Anne, are owner/operators of Autopoint Inc. a brand of mechanical pencils and other writing instruments that Dave purchased from PaperMate in 1979. The business, conducted worldwide, is headquartered in Janesville, Wisc. Dave and Anne have three married children and four grandchildren.

J. Anthony Kline is a presiding justice at the California Court of Appeals in San Francisco.

Douglas H. Philipsen is retired. He and his wife, Mary, live in Duxbury, Mass.

Francisco M. Rexach Jr. sold his company, Ready Mix Concrete Inc., and started a consulting firm, The Advisory Board Inc., in San Juan, P.R. He has served on the board of Banco Popular for 26 years.

Kent Smith is a consultant serving the NIH's National Center for Biotechnology Information and the Department of Energy, and is on the board of the Commerce Department's National Technical Information Center. Kent's wife, Mary, is an NIH contracts officer. They have two children, Kent W. and Holly, and one granddaughter, Caroline.

Bruce R. Steele '61 retired from Digital Equipment (Hewlett Packard) over 10 years ago. He and his wife, Nancy, moved full-time to Naples, Fla., and he plays and coaches softball on Marco Island.

CLASS OF 1969

Peter Busch Orthwein '68 is president of Thor Industries.

He has established the Peter B. Orthwein 1968 Sesquicentennial Fellow in Accounting, which spans Johnson graduate education and Cornell's undergraduate business program at the Dyson

School of Applied Economics and Management.

THE 1970s

CLASS OF 1972

Mickey Fenzel '71, PhD '88, is interim dean of the School of

Education at Loyola University Maryland. His book, *Improving Urban Middle Schools: Lessons from the Nativity Schools* (SUNY Press), won a national book award. He and his wife, Janet, live on the Bird River outside of Baltimore, where they enjoy kayaking, boating, and bird watching.

Peter Maier is "totally retired after a severe stroke — but incredibly lucky and recovering well," after a career in public accounting, finance management with Corning Inc., and non-profit administration. He and his wife live in Corning, N.Y, and have two grown children and a granddaughter.

CLASS OF 1976

Barry Ridings is managing director and vice chairman of Laz-

ard Freres & Co. LLC. He and his wife, Ann, have endowed the Barry and Ann Ridings Faculty Fellowships.

CLASS OF 1977

Norton Bonaparte Jr. was appointed city manger of Sanford, Fla., after serving as city manager of Topeka, Kansas.

Giampiero Carissimi is president of GPC y Asociados S.A. in Buenos Aires, Argentina. He writes, "Time flies for all of us, most of us are almost near retirement after a long working life. It is a good time to enjoy the rest of our lives together with the ones we love."

CLASS OF 1978

Jim Ryan, a private wealth advisor with Merrill Lynch in New York City, was recognized on "The Top 100 Wirehouse Advisors in America 2011" list in Registered Rep. magazine.

Marc Schlussel '77 is a partner at Key Properties, a real estate development company based in N.J. focusing on retail, industrial, and office properties. He writes, "My wife, Ronnie, and I were honored recently as guests of honor by the Frisch School at their annual dinner." Marc is chair of the board for Cornell Hillel. Marc and Ronnie have three children, Katie, Emily, and Adam.

CLASS OF 1979

Edward D. Martin, PhD '86, is director of the Center for Interfaith Engagement at Eastern Mennonite University in Akron, Penn. The center (formerly Abraham's Tent) "provides space for people from a variety of faith traditions to dialogue and collaborate on areas of common understanding."

CLASS OF 1980

Carlos Quintanilla received the 2011 Distinguished Latino

Alumni award from the Latino Business Students Association. He is president of Quintanilla, Hache, y Asociados , a family-owned and -operated business that focuses on investments in the Mexican financial sector, and on developing industrial parks in the United States.

CLASS OF 1981

Mark Cobetto is a shareholder with Schneider Downs & Co., which provides accounting, tax and business advisory services. In addition to assisting with the growth of the tax practice, his work includes compliance for corporations, partnerships and individuals, and he has extensive experience in the manufacturing, logistics, trucking, retail and technology industries. He discussed the dynamics of tax rates, deductions, and credits in an article in *Columbus Business First* (Jan. 13, 2012).

Gary Krellenstein, a managing director in the public finance group at Kroll Bond Rating Agency Inc., headed a report released by Kroll regarding the potential benefits of shale gas development on municipal bond issuers. The report was featured in an article in *The Bradenton Herald* (Jan. 13, 2012).

CLASS OF 1982

Mark Bissell is president and CEO of Bissell Inc., a family

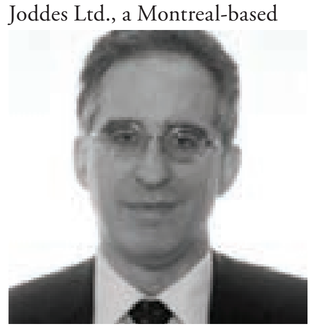
firm founded by his great-grandfather, which he joined in 1985. Mark, who followed his father, John Bissell '52, MBA '54, in choosing Johnson, has made a commitment of $250,000 over a three-year period to support Johnson's Emerging Markets Institute, saying: "We believe in giving back and the Emerging Markets Institute particularly resonated with me as a global business leader."

CLASS OF 1985

Jim Goldman, president, CEO, and director of Godiva Chocolatier Worldwide, was a guest on CNBC's Squawk in the Morning on Valentine's Day, 2012.

CLASS OF 1987

Sam Altman is president of Joddes Ltd., a Montreal-based



diversified investment holding company focused on the healthcare sector, and is also a partner in Signet Healthcare Partners, a private equity boutique based in New York City. Sam writes that he is planning a transatlantic sailing voyage to help "get me through an extended midlife crisis." He and his wife, Nathalie, live in Montreal with their four boys.

CLASS OF 1988

Bob Harrison is CEO of First Hawaiian Bank in Honolulu. He also serves on the boards of the Blood Bank of Hawaii, the Japan-America Society, the Hawaii Community Foundation, and Aloha Harvest. Bob and his wife have three children

THE 1990s

CLASS OF 1991

Robert A. Donoho is VP, supplier development, at E. & J.

Gallo Winery. Noting that Gallo wines are flourishing, he says: "I almost feel guilty about telling others how well Gallo has done during the past few years of economic malaise. The bottom line is that Gallo's revenue has doubled over the past 10 years and we expect this growth to continue as we release new products as well as make targeted acquisitions."

CLASS OF 1992

Michi Calcagno, who is in product management at Sprint in Irvine, Calif., writes: "This is our 20th year Reunion and I'm excited to see classmates in Ithaca over the June 7-10 weekend. A small team of us will be reaching out to Class of '92 alum to encourage turnout for the big weekend, so folks may be getting a surprise call or email from an old classmate. Come join us and reconnect with friends. Forget Facebook, LinkedIn, and Twitter for a change. Visit the campus and shake hands, reminisce and laugh over a beer at the Nine's with your buddies from '92. Look forward to seeing you!"

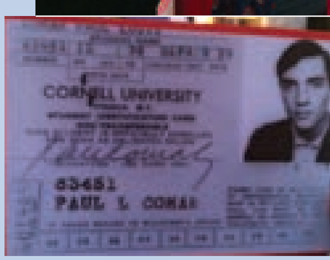
Wendy Shavell Levitt published her first novel, *At the Corner of Wall and Sesame* (CreateSpace, Oct. 2011), about a high-performing career woman and her transition to motherhood.

A CHANCE meeting

In January, Johnson students travelled to Paris to meet teammates from ESCP, a pan-European business school, and begin a management consulting practicum. After initial introductions, students embarked on a treasure hunt to get to know one another. One of the tasks was to find a native Parisian, get his or her name and telephone number, and take a photograph.

In the Saint Germain section of Paris, a group of Johnson and ESCP students approached a gentleman they found walking down the street, who confirmed he indeed was from Paris, and who allowed them to take his picture. As the students were turning to walk away, he asked in English, "Where are you from?" The Johnson students responded, "From Cornell University, in the United States." "Cornell," he replied. "One moment." He reached into his pocket and pulled out his wallet. He then produced an identification card from Cornell University Graduate School of Business and Public Administration (the forerunner of the Samuel Curtis Johnson Graduate School of Management). It was dated September, 1959. The students had just met Paul Comar, who graduated in January of 1962. Out of a metropolitan region of 12 million people, the students had found an alumnus of their own school. What would the law of probability say?

(Left to Right) Augustin Oisel (a student at ESCP Europe), two employees of Paul Comar, Paul Comar, MBA '62, and Johnson students Abe Spence and Ilvin Nieves, both Class of 2012, after meeting and connecting on the streets of Paris.



Close-up of Paul Comar's Cornell student ID card, dated September 1959

Wendy lives in Woodbury, N.Y., with her two children.

Bill Pearce left Del Monte Foods as CMO after a buyout by KKR, and is teaching second-year MBAs brand management and new product development at the Haas Graduate School of Business at UC Berkeley. He finds academia "incredibly fun and rewarding." Bill is also doing some board work with emerging firms in the digital media space.

CLASS OF 1994

Edward T. Calkins is CEO of RGM Capital in Naples, Fla., a money-management firm serving

about 40 institutions and high-net-worth individuals. He has made a commitment to fund the Ann and Robert Calkins Family Graduate Fellowship for future Johnson students.

Angela Noble-Grange, lecturer of oral communication and management writing at Johnson,

received the 2011 Wilbur Parker Distinguished Alumni award, presented to her by the Black Graduate Student Association. In 1999, Angela founded Johnson's Office for Women and Minorities in Business, now called the Office of Diversity and Inclusion. In addition to teaching, Angela says her favorite thing to do is talk to students outside of class. "I want to make sure that they pursue the thing that they love to do," she says.

CLASS OF 1996

Suzanne McMonigle was appointed VP of marketing at Neuronetics, Inc., the company announced in January. "Sue brings incredible depth in marketing to both clinicians and patients, along with a track record of serial success," said Bruce Shook, president and CEO of Neuronetics, in an article in WebWire (Jan. 6, 2011).

CLASS OF 1997

Brad Stilwell is preparing for his assignment as an economic officer at the U.S. embassy in Reykjavik, Iceland. He previously served at the embassies in Accra, Ghana and Berlin, Germany, as well as in the U.S. Department of State's Office of Investment Affairs, in Washington, D.C. He and his wife, Sabine, and their 4-year-old son, Matteo, live in Arlington, Va.

Jean Viret is CFO of DieDexus, a cardiovascular disease diagnostics company in South San Francisco, Calif. He says, "The 'children' are doing very well: Christophe is at Duke, Julian in high school, and Alexandra in the 3rd grade….We are healthy, debt-free and have a clear conscience (a long way of saying 'happy')."

Sze Ling Wan is a managing director at a new hedge fund, Czech Asset Management, in Old Greenwich, Conn.

CLASS OF 1998

Hernan J. F. Saenz, MIL '98, a managing partner at Bain & Company, and head of Bain Consulting in the Dallas, Houston, and Mexico City offices, was named one of the "2011 Top 25 Consultants" by Consulting Magazine. The goal of any successful consultant, Hernan says, is to serve and advise his clients, and to work together with them to generate exceptional economic value.

CLASS OF 1999

Mike Canino is a program manager at Monster Government Solutions in Falls Church, Va. He ran a couple of ultramarathons last year, went to Morocco and climbed Jebel Toubkal, the tallest peak in North Africa, and is training for a 50-mile run and a multi-day endurance challenge. "As of this writing, I'm temporarily between injuries."

Luis del Valle returned from Afghanistan and is "back at work for IPR-GDF Suez but had to move from NYC to Houston. One silver lining in the move is that Bill Davis also lives in Houston."

Joe and Deborah King Garber report that Joe was promoted to VP at Renew Data, the company he runs marketing for out of Austin, and Deborah was promoted to a new role at HP, where she is responsible for "explaining the company's results each quarter for management and the street." On a personal note, they enjoyed "a great holiday down in Palm Springs and Tucson visiting our parents…grandparents spoil Sydney rotten." Back home in Idaho last January, the mountains were "flush with powder," and they were "hitting the slopes and loving it."

Greg Hendry started a new role with American Airlines in its AAdvantage group, handling the relationship and negotiations with Citi on their co-branded credit card. He also led MBA recruiting efforts in AAdvantage, and "enjoyed interacting with new MBA hires, including two recently from JGSM. These talented folks…keep me optimistic

Correction:

The Fall 2011 issue of *Cornell Enterprise* incorrectly reported career information for Joe Garber and Deb King Garber, both MBA '99. Joe is division VP of marketing for Renew Data, a software manufacturing company based in Austin, Texas. Deb is the worldwide reporting manager for Hewlett Packard's LaserJet Division.

Career information was also reported incorrectly for Ian Mehr, MBA '99. At the time, Ian was a managing director at Golden Pine Ventures, LLC. He is now an adjunct professor of marketing at William Peace University in Raleigh-Durham, N. C., and also serves on the business advisory board of the Alzheimer's Drug Discovery Foundation.

about AA's future despite recent chapter 11 filing."

Steve Miska says, "I have been working Iraq policy on the National Security Staff at the White House this year. Very interesting and professionally developing…still on active duty." On a personal note, his wife, Amy, finished her master's and started teaching third grade; daughter, Heather, is 14, and son, Rob, is 16. "Our family was able to escape the Washington D.C. crush over the holidays and did some SCUBA diving in Honduras."

Scott Neuman '93 is at IBM, leading the company's global strategy for social business, and working from Norwich Vt.

Paul Snyder and Amy Malkin Snyder report that Amy continues to work as a brand strategy consultant, and heads up her daughter's Girl Scout troop ("more work than marketing immersion"). Paul is VP of corporate responsibility with IHG, leading sustainability efforts across the globe. Amy and Paul have two daughters, Abby, 7, and Maddie, 4.

THE 2000s

CLASS OF 2000

Bill Roeschlein was appointed CFO at Intransa, a physical security infrastructure and services company in San Jose, Calif.

Douglas Maclean, JD '00, is a managing member at Armor Compliance, a provider of customized compliance solutions to investment advisers. He recently launched the Armor Karma Foundation, a nonprofit

Andy Dijkerman, MBA '85

REBUILDING AFRICA, ONE COUNTRY at a time

Two days after starting her first job as an MBA graduate at Deloitte, Haskins & Sells, Andy (Margaret) Dennison Dijkerman was sent to Cameroon by the firm's international lending unit to establish an accounting and pricing system for a seed company. Ever since then, her career has been focused on Africa — whether it's transforming state enterprises in Rwanda, studying infrastructure needs in Sierra Leone, or advising a children's publishing company in Kenya.

Dijkerman, a native of Wilmington, Del., traces her interest in Africa to her grade school years spent at an international school in Geneva, Switzerland. "I had a lot of African peers in my classes," she says, "and I was always interested in what it would be like to explore beyond my own country." Her chance came after graduating from Tufts University, when she became a volunteer for Catholic Relief Services in Rwanda and ended up working at the agency in Africa for five more years before enrolling at Johnson.

After 15 years with Deloitte, Dijkerman was working in South Africa, where her husband, Dirk Dijkerman, MS '79, PhD '91, was head of the United States Agency for International Development, when the firm decided to spin off the business unit to which Dijkerman was assigned. In 2004, Dijkerman and five colleagues organized a management buyout of the development consulting business, and she was named CEO of the new company, Emerging Markets Group, based in Washington, D.C. Over the next six years, the company doubled both its revenues and number of employees.

In 2007, EMG attracted a buyout from Cardno, an engineering consulting firm headquartered in Australia. After three years at the merged company, Dijkerman became an independent consultant and now spends her time working with the African Development Bank on rebuilding countries in West Africa, and as a BOP (Base of the Pyramid) investor in Jacaranda Designs Ltd., the Kenyan-based publisher of *Young African Express*, an African scholastic magazine for youth.

"My 30 years of involvement in the industry have gotten me to a point where people come to me," she says. "If the type of work is interesting and worthwhile, then I take it. If I want to take a month off, I can do that. I like the balance I have now."

– Sherrie Negrea

Peter Atkins, MBA '91

INVESTING IN THE INTERNET
and a New Book

When Peter Atkins decided to leave his job as a general manager at Microsoft and launch an investment fund in the midst of the Internet bust, his local newspaper, the *Seattle Post-Intelligencer*, speculated he was "a little crazy" and "a little nuts." It was August 2001, and Atkins had just spent six years helping Microsoft start several successful consumer-oriented websites, including Sidewalk and Expedia — both of which the computer giant later sold.


Peter Atkins on the ski slopes at Whistler

"My idea was that these Internet businesses would grow and there were attractive investment opportunities for people who were willing to put capital to work at low prices," Atkins recalls. He was right, and 11 years later, Permian Partners — named after the geologic period that brought the largest mass extinction on Earth — has proven its detractors wrong. The fund now manages about 20 times its original investment and has compounded capital at rates much higher than the market averages.

Last year, Atkins reached a different milestone when he published his first book, *Life is Short and So Is This Book: Brief Thoughts on Making the Most of Your Life.* Originally published as a 55-page Kindle book, it has already sold thousands of copies and recently ranked among the top ten on Amazon's best seller list in the Psychology of Creativity and Genius category.

In a world of two-income households and little time for reading, Atkins thought a short book would appeal to consumers who wanted a quick summary on how to lead a fulfilling life. The 12 mini-chapters cover finding a career you love, setting goals, creating space in your life, and learning from experience.

"It's a combination of lessons I've learned from my experience and reading," Atkins explains. One example: "While it may sound simple," he writes in the book, "if you have close friendships and love your work, the odds are quite high that you'll be happy most of the time."

Atkins follows his own advice to "do what you love:" He loves his job ("that's my main passion, and the place I spend most of my time, outside of my family"), and he makes time for other passions including skiing, tennis, and, now, writing too. With his first book now out in paperback, he began to write a second focusing on stories from his life over the winter holidays.

– Sherrie Negrea

"whose mission is to provide recognition and grants to Massachusetts high school students with kindred spirits."

CLASS OF 2001

Tim Krozek was appointed senior VP of sales and business development at Flite, a company specializing in cloud-based advertising.

CLASS OF 2002

Tracy Sinclair was promoted to VP, global marketing, for Aquent, LLC, a global leader in marketing and design staffing solutions. Tracy leads overall corporate marketing for the Aquent, Vitamin T, and Aquent Studios brands. She lives in Boston.

CLASS OF 2003

Kate Harrison combines her love of travel with a career in

energy at Chevron Corp. Based in Houston, she works with the Southern Africa Strategic Business Unit's investments in Angola and the Republic of Congo to discover new wells and oil opportunities.

Heather Abbott Vogel '98 was named VP, gift card marketing, with Spa Week Media Group Ltd., in Roslyn, N.Y.

CLASS OF 2004

Anamitra Banerji has joined Foundation Capital in Menlo Park, Calif., as its newest entrepreneur-in-residence. He says that his new role can mean advising and joining a company or starting one; he has a few ideas he's going to explore, building on his experience in developing social software at Twitter.

Paul Liu, his wife, **Lee O'Haver '95**, and daughters, Grace and Kate, moved to Sydney, Australia, where Paul is helping to build the consulting practice for Cambridge Associates in the Asia-Pacific region.

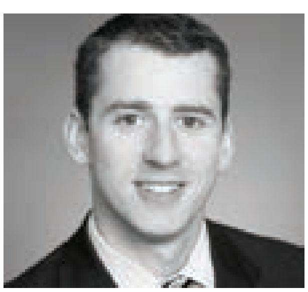
Jessica Rolph '97, co-founder of organic baby-and-toddler food company Happy Family Brands, was featured in an article in the *Minneapolis Star Tribune* (Dec. 31, 2011), "Happy Family co-founder has reason to smile." Happy Family Brands sells its lines of organic food products in nationwide outlets, including Target. Jessica says, "Our success is rooted in parents craving an alternative to processed foods."

CLASS OF 2005

Justin Poser is a VP with M&T Bank, and heads up marketing for the Wilmington Trust Wealth Advisory, asset management and brokerage divisions. He and his wife, Sadie, and two girls, Emma, 3, and Greta, 2, have relocated to the Delaware Valley.

CLASS OF 2006

Tom Huber '99 is VP of Fidelity Business Consulting at Fidelity Investments in Boston.



CLASS OF 2007

Hiroshi Abe is director, head of strategic advisory, M&A, with Daiwa Securities Capital Markets in Tokyo. He enjoys both professional and private city life in Tokyo, and family life with his wife, Mako, and two-year-old, Nako.

Adrianne Melendez-Angel is a partner at Pro Property Management LLC in Waterbury, Conn. She married Frank Angel in 2010, relocated to Connecticut and started her business in 2011, and had daughter, Gabrielle, in February 2011. She also does property management consulting for distressed property owners in New York City.

Justin Charise and **Christy Bensen Charise** welcomed their second child, Ashley Bella, Dec.

30. Ashley joins big brother, Austin. Justin is a financial advisor with Northwestern Mutual. He was named among the top 10 advisors in the Eastern region, and was honored as the number one financial rep in his year group nationwide.

Kyle McCoy is a VP with Goldman, Sachs & Co. in Seattle, Wa.

Meredith Ryan-Reid received the 2011 Robert J. Swieringa Young Alumni Service award. She is a VP at Marsh and

McLennan, focusing on business development in the commercial and private client segments.

CLASS OF 2009

Neelamber Agrawal sends "my first message as a married man, losing bachelorhood and gaining companionship." His wife is a fellow Cornellian, **Shymaine Pandey, JD '09**. "Our wedding was 3 long days and we were blessed to have friends from both B-school and Law school at this special occasion."

Nad Ajlani and **Joanna Cheng-Ajlani '04** write that they are doing well in Singapore. Daughter, Addison, "is now 14 months, walking, so much fun, and chatty as ever. She still can't talk but that doesn't stop her from 'talking'!"

Karen Albright and her husband, Chris, greeted a daughter, Sarah Abigail Rees, Dec. 16

Erin Bina reports, "Shane and I got married November 5th at Esperanza Mansion on Lake Keuka. We were incredibly lucky and had the most amazing weather the entire weekend…life is great in upstate! Shane continues to work in GE onshore wind and I've taken a full-time position in GE Solar operations."

Vivian Choi reports that her son James "is now a 'boy' rather than a baby," having turned 4. Daughter, Sophie, is nearly 1, and is "acting different (getting smarter, I guess)."

Matt Dacey writes that he is "progressing at Deloitte Consulting, now a manager in strategy. Living in Newburyport with my wife, Lisa."

Mark Dennis "took a new job in March at Waddell & Reed as an equity analyst. Rachel and I moved to Kansas City from Denver for the job, and we had our first child, Charlotte, in November."

Christy Harrington moved back from Sao Paulo, Brazil in April and took her final GE RELP rotation in Minneapolis, Minn. She says, "I accepted my off-program role here as a wind account manager. I love the area and am fortunate to have a built-in Johnson network here."

Dan Humphrey married Elizabeth Donohue, MBA '08, in September. They live in the Redwood City, Calif.

Brandon Jacobson works at Deloitte Consulting, specializing in the firm's strategy practice. "This has allowed me the opportunity to work across industries and help our clients with some pretty interesting challenges." His wife, **Amy, MA '07**, is with Cornell's NYC alumni affairs and development team, "largely working with alumni from the Hotel School."

Kevin Johnson and his wife, Lisa, welcomed a son, Eli Michael, Nov. 28, who joins big sister, Ava, 2. On the professional front, Kevin is "in the renewable energy business with Acciona

Energy — now managing our merger and acquisition activity in the U.S."

Brad Johnston works at a startup called the Receivables Exchange, which provides financing via an auction portal for companies to sell their accounts receivable invoices to a community of investors.

Chris Kerns and his wife, Elizabeth, welcomed a son, Oliver Edward, Oct. 17. "A month later we drove across the country, moving from suburban Washington, D.C. to Seattle, Wash., where I have started my new job as a senior consultant in a new professional services group at Boeing Commercial Airplanes."

Jason Krieger and his wife, Holly, welcomed Finley (Finn) Camden in September, after the family relocated earlier in the year from London to Chicago. On the professional front, Jason "went back to work with two new clients in hospitality and telecom, focusing on organizational development and engagement, as well as customer engagement and change management."

Amit Mathur writes, "I moved to Mumbai, liking the new ambience, moving to my dream house in a month, family is happy and so am I."

Seung Min Lee "got married finally last Dec. 4 in Seoul. I met her through a blind date, which is a well-developed and efficient matchmaking system in Korea."

Charles Lo '00 writes, "Still working at Genentech in S.F. and wrapping up my rotational program. Liking it a lot and learning a bunch, but I'll need to look for a permanent gig soon. On the personal front, got hitched last April and enjoy finally being in the same city after five years long distance!"

Peter Marmer works for Walmart in Bentonville, Ark. He says, "I spent the first year and a half on a corporate strategy team that was essentially an internal project team for the CFO. About a year ago, I transitioned to a group called merchandise finance and strategy supporting our entertainment, toys, and hardlines business."

Karen Martin says, "I'm still at P&G and doing well. I've worked on some pretty cool stuff while on the Swiffer brand, including some upcoming new product launches and TV ads. Cincinnati has really grown on me — definitely not as fast-paced as N.J./N.Y., but I really appreciate the quality of life….Plus, there's a strong triathlete community here that's become a huge part of my life since graduating b-school."

Joe Moschella writes, "I'm living in the Westwood neighborhood of L.A., in between Santa Monica and Beverly Hills, and drive about 50 miles south each day to Newport Beach to be the in-house counsel for a large family investment office. We've got our hands in real estate, various opportunistic investments, and also run a hedge fund to manage the owner's capital."

Bailey Stoler O'Dea says, "Joe and I are still living in NYC. In June, Joe left Morgan Stanley to work at Vertical Research Partners, an independent equity research firm focused on the industrial space. He covers the machinery space (think tractors and coal mining trucks.) I continue to work on the executive management team at the Institute for Integrative Nutrition, overseeing operations and product development."

Ike Obele and his wife, Bridgette, moved to Manhattan, Kan., ("the little apple — yeah, that's what it's called here"). Ike has a new job as a product manager at Hillspet — a subsidiary of Colgate — doing brand management, and Bridgette is in vet school.

Denise Odaro is an underwriter at the World Bank in Arlington, Va., in the political risk unit.

Jeff Osborn writes, succinctly, "Married: check!"

Stacie Palmer and her husband greeted a son, Michael Gregory, Oct. 19.

Alex Pan is "having fun working in social gaming (you get to play games all day)" with Tencent in Palo Alto, Calif.

Steve Peck and **Christine DeRoma Peck** report that Christine works a reduced schedule as marketing manager at Caldrea, "supporting products that align with her values to care for her loved ones, home, and the environment." Steve is with WebMD, and "has found a creative and entrepreneurial community to tap into in the Twin Cities." Their son, Fisher, is 15 months old.

Kristen Rainey works on sustainability and brand management with Sodexo, a global food services and facilities management company. "Fortunately, they let me stay based in Portland, working out of a home office. Unfortunately, the job has required so much travel (mostly East Coast) that I'm never here."

Ben Rollins '92 says he is "working full-time on my new startup, Vaporsens, which is based on University of Utah technology."

Aparna Sharma met Anish in India through a family friend, and they married in November. "Anish works with Snap-On tools and I am a full-time housewife as of now." The couple lives in the Bay Area.

Ping Shen is an MBA consultant with Accenture. He lives in San Francisco.

Sri Srikantha and his wife, Sheetal, welcomed a baby boy Sept. 7. On the professional front, Sri "shifted jobs…now with Aon Hewitt, helping business development in South India."

Liz Schuster and **Christopher Sytsma, MBA '10**, married in June at an arboretum in Pennsylvania. Liz works with CultureWorks Greater Philadelphia.

Adam Treadwell is an informatics consultant with Cigna. He joined Cigna's international division, "helping to develop, implement, and expand Cigna's consultative analytics capabilities for international and expatriate clients. At present, I'm the first and only consultant on the international side, but the plan is to build a team over the course of the year."

Britta von Oesen works for Gestamp Solar as head of corporate strategy and development. She lives in San Francisco.

THE 2010s

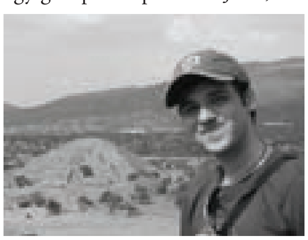
CLASS OF 2010

Shari Aser is a business unit executive in software sales at IBM.

CLASS OF 2011

Vidya Anandan married Archana Vanam in Bangalore, India, last summer. He and his wife live in San Francisco. Vidya is a senior consultant in the financial services performance improvement practice with Ernst & Young, working with major banking clients across their business lines.

Saurabh Arora joined the strategy group at PepsiCo in June,



but found time to win a U.S.-wide Bollywood star contest. The Western Union Main Bhi Star was run by Star TV US, and out of 10,000 contestants, Saurabh won a prized lead role in a brand new soap opera. Saurabh writes that he's "just returned from a new Pepsi plant setup-

Ramnath Subramanian, MBA '07

FROM WALL STREET BANKER TO Hindu Monk

In the 18 months Ramnath Subramanian worked as an associate at Bank of America, he would leave his office on Wall Street at the end of each day, arrive home at a monastery in the East Village, eat a simple meal, and then retire on a yoga mat in a room he shared with 13 other Hindu monks. The next morning, he would awaken at 4 a.m. to meditate for two hours before starting another 15-hour day as an investment banker.

His dual life finally came to an end in the fall of 2008, when Subramanian decided he could not reconcile his banking career with his monastic life. His last project at Bank of America, ironically, was to create a merger and acquisition strategy for *Playboy* magazine, and his three-part recommendation had earned him praise from his boss. Yet at the same time, Subramanian, a native of Mumbai, was being pulled in another direction that led him to quit his job.

"There was a calling that was very strong in terms of what I wanted to do with my life," he says. "I wanted to dedicate myself to doing good work. It was not that I wanted to quit society and give up all the skills I had learned in consulting and the Johnson School. I wanted to engage them in a place where I truly felt connected to my heart."

Subramanian, whose monastic name is Rasanath Dasa, is now executive director of a nonprofit organization that is transforming the six-story building housing the monastery into a cultural center with a vegetarian café planned for the first floor. While devoting himself to meditating, praying, and teaching classes on Hindu scripture, Subramanian has remained connected to the financial world as a regular speaker on mindfulness and decision-making at retreats for business executives.

Last October, he was featured in *The Wall Street Journal* after he led protesters at Occupy Wall Street in a meditation session in Zuccotti Park. "It was not to support the protesters," he says. "It was to raise the consciousness of the way that we live. Wall Street is just one symptom of a broader problem. It disconnects us from our true essence of who we are."

– Sherrie Negrea

Alice H. Chen ’05, MBA ’09

INFLUENCING DEVELOPMENT in China

Alice H. Chen has worked for Jones Lang LaSalle, a financial and professional services firm specializing in real estate, in Tianjin, China for less than two years, but she is already involved in one of the most ambitious developments in the country: a global financial center proposed for a peninsula in the heart of Tianjin’s business district, Binhai. Acting as a project manager, Chen is representing an American private equity fund that is investing in a 39-floor office tower, one of 120 buildings planned for the peninsula of Yujiapu. “They’re building the Manhattan of China — literally,” Chen says.

After earning an architecture degree from Cornell, Chen worked for Gensler and Howard Spivak Architects in New York City while launching her own company with another Cornell graduate, Sally Park ’03, MBA ’10. But Chen, a Taiwanese native who moved to Texas at the age of 10, wanted to return to Asia after completing her MBA because that corner of the world was where real estate was booming. In early 2010, she moved to Beijing and worked for an architecture office until she was hired by Jones Lang LaSalle in October.

Tianjin, a second-tier city with a population of 12.9 million, has a rapidly developing office sector, which made it attractive to Chen. “If you’re in Beijing or Shanghai — they’re pretty much developed,” she says. “There’s not that much opportunity to have an influence. Here, I get to be involved in a project from its initial stages and meet real estate professionals from around the world.”

As the company’s head of strategic consulting and research, Chen and her team help developers determine where, when, and how to build a project and evaluate their strategic entrance into the Tianjin market. When she arrived in Tianjin, Chen pledged to quadruple her unit’s revenue and team size within two years. After her first year, both revenue and the team more than doubled. “I have one more year to complete my goal,” she says.

– Sherrie Negrea

cum-holiday in Mexico City and is packing bags to Mumbai for a month-long shoot and a possible sabbatical from corporate America! Exciting times for sure.”

Greg Barasia (U) works in equity research for Raymond James.

Srujan Behuria is in the Pathways Leadership program at Amazon.com in Hazelton, Penn. Srujan writes, “I am getting ready to…be operations manager…managing day-to-day operations of the warehouse. … I wear torn jeans to work, have long hair, and have even added a pair of earrings. This is just the job I was looking for, where I can be myself.”

Shyam Bhaskaran (A) is a senior associate in PwC’s Pharmaceuticals and Life Sciences consulting group.

Sid Bothra is an associate on the credit correlation trading desk at Citi. He and his wife, Ajaita, live in midtown Manhattan.

Jeremy Breazzano is an investment banking associate at Citi in New York City.

Kelly Campbell is a senior manager of knowledge and research at PetSmart Charities, supporting grants and programs that save the lives of homeless pets across the country. She and her husband, Doug, live and work in Phoenix, Ariz.

Dave Carhart, MILR ’11, works for HP in Singapore, the regional hub for HR in Asia Pacific and Japan. He’s using the opportunity to visit several countries around Southeast Asia and is enjoying the spicy food.

Qi Ting "Carmen" Cen works in operational risk management at Morgan Stanley, in New York City.

Ekta Chandra works in the consulting practice for pharmaceuticals and health care clients at Rosetta in New York City. She is also the communications chair for the Johnson Club of New York City.

Karin Chu's work at Citi has led her through a rotation in equities sales trading, G10 rates structuring, and she has moved on to convertible bonds sales and trading. She's also heavily involved with the Johnson Club of China.

Adam Conderman is a strategic planner at Intel in Santa Clara, Calif. He started in the digital home group (televisions/home entertainment), then moved to the mobile communications group (tablets and cell phones). His job is to find new technologies, businesses, and ideas that are not currently part of the Intel "roadmap," and bring them into our products and services. He lives in San Francisco.

Olivia Dan is a senior project manager working in new medical products at Avery Dennison in Boston.

Siva Prashanth Davuluri (A) is a product manager at Cornell Iron Works Inc. in Wilkes Barre, Penn.

Amit Dingare is a senior consultant at Ernst & Young in New York City.

TaNisha Greene Evans, MILR '11 married Frank Evans in August. She completed her MILR at Cornell in December and lives in New York City with her husband, who is a second-year resident at Albert Einstein.

Dee Feng is the product manager at CPA2Biz, a technology subsidiary of the American Institute of CPAs in New York City. She manages all of their cloud-based products. Her first product launched recently and received honorable mention in Accounting Today's Top New Products 2012.

Javier Garcia Quiroga re-joined Bain Mexico in August, working in the air transportation industry "on high-impact cases that are defining the industry."

Hao "Kris" Gu is an associate at Credit Suisse AG in Hong Kong.

Kyle Helbing is a consultant for Bain & Company in Dallas, Texas. As part of easing into a January start he spent a good portion of 2011 traveling, including two months learning Spanish in Costa Rica.

Christine Hum '04 is a management consultant with Capgemini's financial services practice, specializing in private wealth management. She is active in her church and volunteers at the Bowery Mission Women's center in New York City.

Melissa Peddicord Hunter married Travis Hunter in June 2011. Melissa is a financial associate for J.P. Morgan in Newark, Del.

Deepak Kallakuri (A) is a product marketing manager at Cognex Corp., a technology company outside of Boston. He writes, "I am enjoying my work and the international travel that comes with it. I also had the opportunity to work with the Johnson team last fall on the management practicum project sponsored by Cognex."

Agata Kostecka, a senior consultant with Deloitte, is working on an M&A project in Mexico City.

Kiran Laxman is a product manager for Legrand's Electric Vehicle Charging Solutions, based in Syracuse, N.Y.

Jonathan Lewis enjoys working at Unilever on the AXE Shower Gel business in his hometown of New York City.

Eric Li works at Delta Air Lines and writes, "Life is sweet with all the impulsive traveling on weekends."

Xiang Shawn Liu (A) is a management trainee at Standard Chartered Bank in Singapore.

Roy Loggins III is a senior consultant with AIG, based in Houston, Texas.

Luis Lozada re-joined Bain as a consultant, working with clients in the financial services and airline industries helping them improve their customer loyalty.

Katy Maffei is an associate at McKinsey & Company in Washington, D.C., and has "completed her fifth cross-country move."

Cesar Martin del Campo Garcia moved to Santo Domingo, Dominican Republic, to join AB InBev's GMBA program as a sales manager in the development program. He has visited the Michelob brewery in St. Louis, Labatt in Toronto, Goose Island in Chicago, and Brahama Light in the Dominican Republic and Brazil.

Adnane Meziane (A) works at USB in New York City, having spent the summer earning a certificate in international relations from Columbia University.

Matt Orton is an associate in the global equity & commodity derivatives division at BNP Paribas in New York City, specializing in OTC derivative solutions for hedge funds.

Vivek Pai is a senior product manager at Amazon.com. He and his wife, Daniela, enjoy life in Seattle.

Veer Pande (A) is a consultant for Hewlett Packard's business process design and change management practice in Boston, Mass, where he lives with his wife, Silpa. He has had opportunities to optimize business operations for client engagements in the healthcare sector, and be part of HP's Cloud Transformation initiatives.

Grace Park is a senior controls analyst at Procter & Gamble in Cincinnati, Ohio.

Shashin Patel is the market development manager–India at Corning Optical Fiber. He and his wife, Sejal, and daughter, Sesha, live in Wilmington, N.C.

Surjeet Patnaik is a market consultant at Corning, Inc. He writes, "my experience as VP, corporate relations (Energy

Club), and as member of the Sustainable Global Enterprise Club has come in handy. I am proud to be working with some of the leading thinkers of the world today in solving issues such as global warming and energy security. The semester in Strategic Operations Immersion with consulting focus is very much pertinent to what I am doing today as well."

Bob Picone, MILR '11, is a business process consultant for Hewlett-Packard. He is based in the greater New York City area, "but is seriously considering moving to a new region of the country, as the job is predominantly virtual."

Christian Polman '05 is a consultant at Bain & Company in London. He writes, "I've had a lovely time settling into London. The city is absolutely fantastic, with great neighborhoods, beautiful parks, amazing pubs, world-class theater, and some of the finest museums anyone could ask for."

Shiva Ponnambalam (A) is "living a dream and trying to leave a dent in the universe" as a product manager for iPhone at Apple in Silicon Valley. He spends a lot of time with entrepreneurs, and writes about new startups/products for the Silicon Valley New Tech group.

Sreecharan Rai (A) is a senior consultant with Deloitte Consulting in Chicago.

Pradeep Raju Bhupathiraju (A) is assistant head at the Economic Development Board in Singapore. He recently became a father, and spends most of his spare time taking care of his son.

Priyanka Rao (A) is a business analyst at Trinity Pharma Solutions in Waltham, Mass. and lives in Marlborough with her husband, Shantesh.

Dean Robbins is a manager at American Express in New York City.

Subrat Roychoudhary (A) is a management associate in the oncology division of Bayer Healthcare, where he supports the brand team of one of their blockbuster drugs and has been involved in designing and executing some tactical moves. In a recent project he helped roll out iPads to the entire sales force and is now working to strategize a long-term sustainability plan for use of the device.

Sadanand Sheorey (A) is a principal operations analyst in the U.S. card business at Capital One, based in Richmond, Va. He writes, "My job is to optimize the cost side of the profit equation." His daughter is three years old, and his wife, Sarika, is working to get her CPA.

Venkat Sista is a business development and operations manager at a tech startup in Irving, Texas. He writes, "It is a lot of hard work, extremely challenging, but immensely gratifying."

Aaron Steffensmeier married Allison Grobe on June 25, 2011, in Northport, N.Y. He is an associate in the media and communications group at TD Securities in New York City.

Amber Steinhilber is a strategic analyst with Waste Management's corporate venture capital group, in Houston, Texas. During the summer, she fulfilled her life-long dream of riding on a garbage truck and visiting a waste-diversion facility located at one of WM's landfills. As an analyst, she evaluates waste-related technologies and companies for their investment potential in extracting the most value from the materials WM manages every day.

Kat Stevens is a senior consultant with PRGX Global. She's also starting a craft brewery, Reunion Brewing Company, in Dallas, with her boyfriend, Brent, and their brewmaster, Jack. She writes, "things are progressing quickly and we are currently in the process of fundraising to purchase larger equipment."

Derek Taff joined the investment team at Merestone Partners, a real estate securities hedge fund based in Boston.

Junichi Takami is an associate at McKinsey & Company in Tokyo, Japan.

Mike Tulaney, MEng '02 (A), founded Event Horizon Consulting LLC last fall. Focused on decision management for new product development, Mike looks to support the fast-growing entrepreneurial communities in Denver and Boulder.

Brianna Tufts Walsh is a senior financial analyst at EnerNOC Inc. in Boston. She married Michael Walsh at their alma mater, Colby College, in summer 2011.

Chris Walsh is a search engine marketing associate at Adchemy Inc. in Foster City, Calif.

Alexandra Whisnant is living the good life in Paris and plotting ways to become French. Recently she enjoyed a high tea of many scones with Christian Polman in London.

Tim Wickham '10 works for Altman Vilandrie & Co., a boutique consulting firm in Boston.

Alex Woodcock is a consultant at Bain & Company in Boston, after taking an 8-month break, spanning 5 continents and 12 countries.

Wei Xu is a product marketing manager for Tektronix in Beaverton, Ore. The company is a subsidiary of Danaher Corporation.

Elaine Yi Lu is in the graduate leadership program of Masco Corporation and is an international project manager at Masco's Behr Process Corporation in Orange County, Calif. She writes: "Life in Southern California is lovely, with beautiful beaches, year-round sunshine, and delicious food. It's been fun traveling to China to help the company develop its emerging markets as well as seeing my family and old friends."

Zhen (ZZ) Zhou (A) is a senior product manager in IBM, and his team is working on a next-generation technology.

IN memoriam

Warren D. Carter '72, MBA '73

Jose N. Endriga, MPA '79

Yasushi Iwai, MBA '55

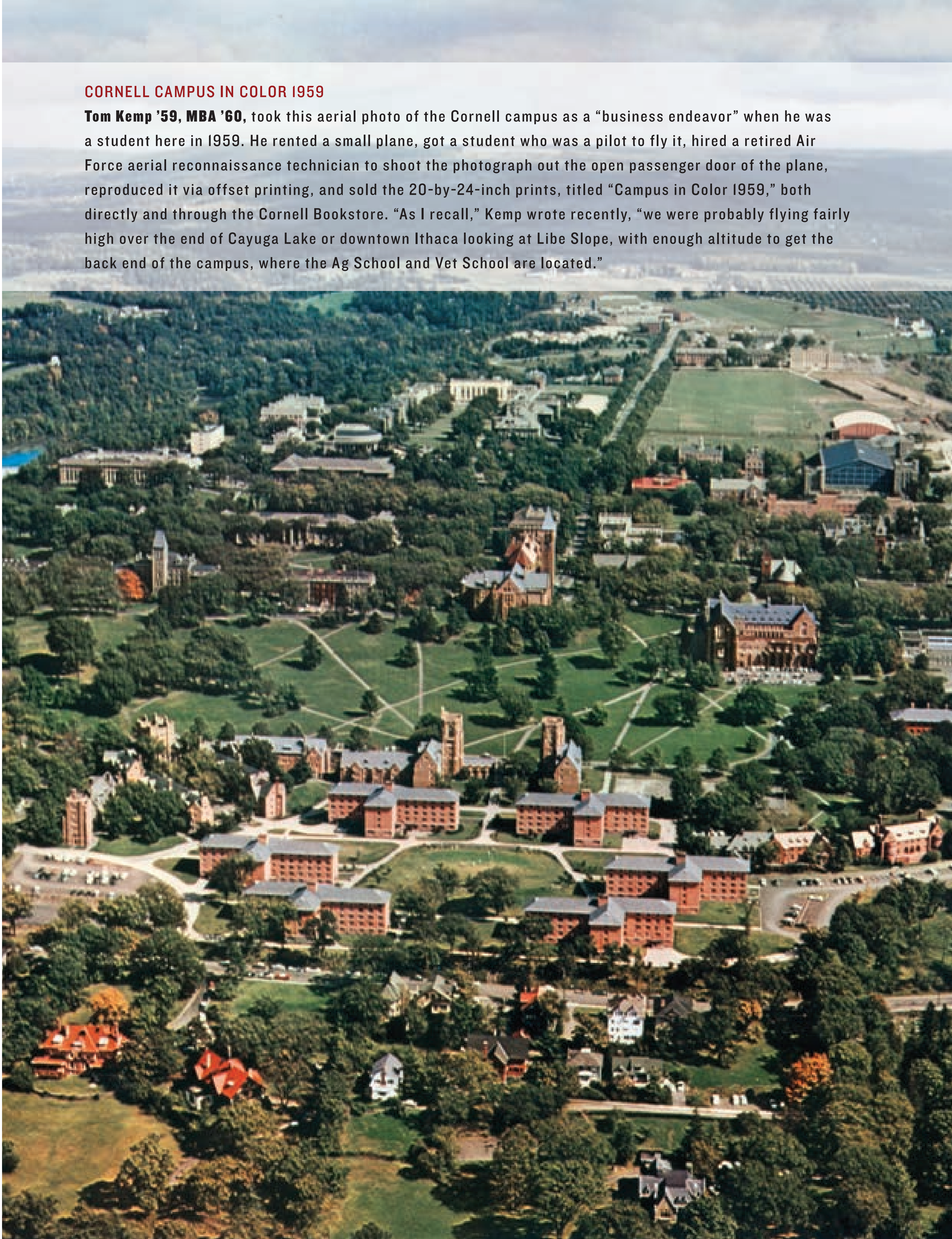
James K. Murphy Jr., MBA '72

Monika Shintre, MBA '08 (E)

Dwight E. Vicks Jr. '54, MBA '57

CORNELL CAMPUS IN COLOR 1959

Tom Kemp '59, MBA '60, took this aerial photo of the Cornell campus as a "business endeavor" when he was a student here in 1959. He rented a small plane, got a student who was a pilot to fly it, hired a retired Air Force aerial reconnaissance technician to shoot the photograph out the open passenger door of the plane, reproduced it via offset printing, and sold the 20-by-24-inch prints, titled "Campus in Color 1959," both directly and through the Cornell Bookstore. "As I recall," Kemp wrote recently, "we were probably flying fairly high over the end of Cayuga Lake or downtown Ithaca looking at Libe Slope, with enough altitude to get the back end of the campus, where the Ag School and Vet School are located."



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