CLARITY IN A TIME OF CRISIS

In the midst of the worst worldwide economic crisis since the Great Depression, the University of Miami’s Global Business Forum, hosted by the School of Business, offered nearly 700 professionals an unprecedented look at the challenges and opportunities of global connectivity.
CLARITY IN A TIME OF CRISIS

The University of Miami’s Global Business Forum, held January 15–16, drew nearly 700 people including top executives from some of the world’s most prominent companies. “Harnessing the Power of the Connected World,” which was organized by the School of Business Administration, featured keynote addresses by leaders of such companies as Coca-Cola, FedEx Express and McDonald’s. In addition, 16 panel discussions focused on the impact of the historic worldwide economic downturn and other challenges facing businesses in health care, hospitality, entertainment, law, real estate and other industries.

For complete coverage, see our Special Report in the center of this issue.

FEATURES

10 / ADVENTURE 101
Students in the School’s study-abroad program gain international contacts and cross-cultural perspectives that will benefit them throughout their careers

47/ IT’S ALL ABOUT RELATIONSHIPS
Ziff Center director Alexander Pons says career opportunities still exist — even in the down economy

DEPARTMENTS

2 / DEAN’S MESSAGE
Dean Barbara E. Kahn on what it means for a business school to be a global player

4 / IN THE NEWS
Executive MBA program extends to Puerto Rico; Leadership Institute moves to the School of Business; health programs advisory board formed, and more

49/ FACULTY NEWS & RESEARCH
Several faculty members win awards for teaching and research; two others join editorial review boards; new research on success and challenges in emerging economies

53 / ALUMNI NEWS
Catch up on the activities of your friends and former classmates. Plus profiles of alumni achievers in wine marketing, financial services, pet products, home furnishings, ‘nearshoring’ and more
Global Leadership

In January, the School of Business Administration hosted a truly remarkable event: the University of Miami’s inaugural Global Business Forum. When we began planning this two-day conference more than a year ago, we had no idea of the depth of the economic crisis that would engulf the United States and the world in the latter months of 2008, and which continues today. The Forum was titled “Harnessing the Power of the Connected World,” but in fact, the global economic situation took center stage and colored almost every discussion, formal and informal, as the nearly 700 executives in attendance sought clarity and ideas from leaders in a range of industries to take back to their own businesses around the world.

The Global Business Forum was a profound success not just because of the speakers or the sponsors or the attendees, but because we brought together a group of people whose diverse knowledge and expertise extended beyond their specific industries to the issues of the world at large. While the answers may be subject to debate, no question was off-limits.

That’s exactly the kind of exchange we at the School of Business Administration strongly encourage. And in this special issue of BusinessMiami, you’ll find not only extensive coverage of the Global Business Forum but also stories that highlight our growing reputation as a globally preeminent business school. We are building that reputation by focusing on research excellence, innovative cross-functional academic programs and engagement with the business community. Our faculty have been recognized for their extensive research into international marketing and business practices. Our students, who come from 66 countries, are developing skills with experiences on campus and off that will allow them to find success in a variety of areas. And our programs are expanding to reach students in the Caribbean and elsewhere, including a new Executive MBA program planned for Puerto Rico.

The Global Business Forum could not have achieved such success without the help of eight other colleges and schools at the University of Miami, and the contributions of our sponsors.

We are already planning the next Global Business Forum, and we hope you will attend. If you have comments or suggestions, or if you would like information on sponsorship opportunities or other ways you can help the School, please contact me.

— Barbara E. Kahn, PhD
bkahn@miami.edu
SCHOOL TO LAUNCH EXECUTIVE MBA PROGRAM IN PUERTO RICO

THE SCHOOL OF BUSINESS has announced that it will expand its highly regarded Executive MBA (EMBA) program to Puerto Rico. This expansion, which is pending approval by the Puerto Rico Council on Higher Education, will enable professionals living and working in the region to earn a University of Miami MBA degree without interrupting their careers or family lives. Classes will be held on Saturdays over a two-year period in facilities located just outside San Juan at the Guaynabo headquarters of El Nuevo Dia, Puerto Rico’s leading daily newspaper and the School’s program partner.

“In order for Puerto Rico and the wider Caribbean basin to compete globally — whether it be in manufacturing, research and development or professional services — the region must have highly trained executives in leadership positions,” says Dean Barbara E. Kahn. “By bringing our Executive MBA program to the region, we will not only help professionals gain the skills and knowledge they need to advance their careers and their organizations, but we can also play a part in the region’s economic growth.”

Classes in Puerto Rico will be taught by the same world-class faculty that teaches at the School’s main campus in Coral Gables. The format will be the same as that of the EMBA programs delivered at the main campus and other locations. As part of its commitment to developing leaders in Puerto Rico, the School will offer one full-tuition scholarship per class. Scholarship applicants must reside in Puerto Rico, meet all admission requirements and complete a formal application process in order to qualify.

Leadership Institute Moves to School of Business

THE JOHNSON A. EDOSOMWAN Leadership Institute, now housed at the School of Business, is launching an ambitious new series of programs, products and services. With initial funding from UM alumnus Johnson A. Edosomwan (BSIE ’79, MSIE ’80), the Institute was founded at the UM College of Engineering in 2006 as an interdisciplinary initiative to help identify, assist and mentor world-class leaders.

The Institute was moved to the School of Business Administration in 2008. Terri A. Scandura (left), dean of The Graduate School and professor of management, is the Institute’s new academic director. She has more than 20 years of experience as a top leadership researcher and instructor, and she has consulted and delivered executive education programs to major corporations.

“We are not like leadership institutes at other universities,” says Scandura. “We are setting ourselves apart with innovative, interdisciplinary programs that are not offered elsewhere. UM also has expert faculty who know how to get high-level audiences to think outside the box. We intend to teach leadership in a very creative way.”

The Institute currently offers or is planning an MSIE/MBA degree program, certificate programs for leaders at all levels, special programs for C-level executives, conferences, lectures, workshops, publications, research contracts, scholarships and an awards program. For more information, contact the Leadership Institute at leadershipinstitute@miami.edu or 305-284-4154.

Prominent Business, Academic Leaders Join Visiting Committee

THE SCHOOL OF BUSINESS has selected some of Miami’s most prominent business leaders and philanthropists, as well as academic leaders who direct or have directed programs at the world’s top business schools, to form its Visiting Committee. The 11-person committee, which will consult with the School on strategy and support its fundraising efforts, is comprised of:

• Adrienne Arsht — National business leader, well-known South Florida philanthropist, UM Trustee.
• Tere Blanca (BBA ’81, MBA ’83) — CEO, Blanca Commercial Real Estate Inc.; chair, The Beacon Council, Miami-Dade County’s official economic development partnership.
• Norman Braman, Chair — Prominent Miami businessman; former owner, Philadelphia Eagles; UM Trustee.
THE PROGRAMS IN HEALTH Sector Management and Policy Advisory Board — two dozen high-level health care executives from across the U.S. — held its inaugural meeting at the School on December 11, 2008. Dean Barbara E. Kahn opened the meeting with a presentation about the School’s strategic vision and goal of becoming globally preeminent in the business of health care. Other administrators and faculty members discussed the School’s development of academic, joint venture and co-branded programs in health care.

Steven G. Ullmann, director of Programs in Health Sector Management and Policy, then led the group through the activities envisioned for the School’s planned Center for Health Care Management and Policy, a first in the state of Florida. These activities include state policy research, training and education, and health care management consultation and research.

“The Advisory Board is made up of many of the top people in the field, in Florida and beyond, though much of the initial focus of the Center will be on our home state,” says Ullmann. “Their contributions will be invaluable because they bring a real-world, market-driven perspective. We look forward to their assistance in developing the Center, strengthening our ties with alumni and other professionals in the field, assuring that we are cutting-edge in our curriculum and serving as advocates for the School.”

Health Programs Advisory Board Formed

- Wayne E. Chaplin (BBA ’79, JD ’82) — President and COO, Southern Wine and Spirits of America Inc.; UM Trustee.
- Charles E. Cobb — CEO and senior managing director, Cobb Partners Ltd; former U.S. ambassador; former undersecretary, U.S. Department of Commerce; UM Trustee.
- Miguel (Mike) Fernandez — Chairman, MBF Partners, LLC; prominent health care entrepreneur; UM Trustee.
- Dany Garcia (BBA ’92), Vice Chair — Founder and former CEO, JDM Partners LLC; founder and president, The Beacon Experience Foundation; co-founder and vice president, The Dwayne Johnson Rock Foundation; UM Trustee.
- Patrick T. Harker — President, University of Delaware; former dean, the Wharton School, University of Pennsylvania.
- Jonathan Spector — CEO, The Conference Board; former vice dean, the Wharton School, University of Pennsylvania.
- Richard Staelin — Edward and Rose Donnell Professor of Business Administration; former deputy dean, Fuqua School of Business, Duke University.

“We are extremely fortunate to have such a stellar group of individuals to consult with and help guide the UM School of Business Administration as we move forward on our bold agenda to become one of the world’s great business schools,” says Dean Barbara E. Kahn. “The School will benefit immensely from the counsel of these distinguished business and academic leaders, especially in this challenging economic environment. I know they can help us achieve our ambitious goals, despite the challenges we face right now.”
“GO INTO BUSINESS in a subject you love. Time flies when you’re having fun at work, and it makes for a happy life.” That’s what Marvin Shanken (BBA ’65), the 2009 UM Alumni Association Alumnus in Residence, told Dean Barbara E. Kahn’s Strategic Brand Management class on February 18. Shanken is the founder and chairman of M. Shanken Communications Inc., publisher of *Wine Spectator* and *Cigar Aficionado* magazines, among others. He became successful, he said, by following his dreams and making them his reality, even when others thought he was making mistakes. “Nothing is out of reach,” the guest lecturer told the roomful of graduate students, “if you work hard enough and take risks to get what you want.”

Shanken didn’t start out wanting to be a publisher. Instead, he worked as a real estate appraiser in New York City, which led to a real estate finance job on Wall Street. His employer sent him on a business trip to Sonoma, Calif., to investigate a vineyard deal, and Shanken discovered two things — he loved wine, and there were very few resources available to learn more about it. In 1979, he bought *Wine Spectator* from a friend to save it from going under.

Shanken launched *Cigar Aficionado* in 1992. “I went to Cuba to interview Castro and do some research for an article about cigars that we were putting together for *Wine Spectator*,” he said. “I decided on the plane trip home that I couldn’t die without having published a cigar magazine.”

“The first 10 years of business were a constant struggle,” he recalled. “We just barely made our costs. My initial goal was to build the business enough to take home a $15,000 salary.” Thirty years later, Shanken has well exceeded that target. His magazines have made him wealthy, and he stressed the importance of giving back — including speaking to students, as he was doing that morning. “I consider myself in the business of education,” he said. “If one of you walks out of here with some enlightenment, then my visit was successful!”

---

**Undergrads Win Honors in Competitions**

A team of the School’s undergraduate students took third place at the Alpha Kappa Psi Case Competition in Atlanta on February 28. The UM team, representing the Beta Pi chapter of the Alpha Kappa Psi business fraternity, included (left to right in photo) management science major Alexander Prueitt, finance major Lindsey Morgado, marketing major Emily Miller, and marketing and entrepreneurship major Jordan Chadsey. UM debaters also posted strong showings in two competitions. One Ethics Society team, including junior economics and philosophy major Carlos Alvarez, and senior economics major Danieli Evans, placed second in the Bioethics Bowl at the National Undergraduate Bioethics Conference at Harvard University on March 14. Another team, which included Robert Levine, a sophomore majoring in economics, finance and accounting, finished third at the National Intercollegiate Ethics Bowl on March 5 in Cincinnati.
MBAs Shine in Trading Competition

SECOND-YEAR MBA FINANCE STUDENT SUPREET ARORA CREDITS his courses with helping him win third place and $3,000 in the Collegiate Competition, an international stock-trading contest. UM, which had 11 students participating, placed seventh overall out of approximately 100 universities in the competition.

The competition was set up through Equitrader, an online simulated securities trading arena. Running from September 2008 through March 2009, the Collegiate Competition attracted 585 registrants from around the world. Each participant started with a theoretical cash pool of $1 million. Students were required to adhere to a list of parameters, and winners were chosen based on percentage portfolio return. Arora's return was 50.71 percent.

SCHOOL OF BUSINESS ALUMNUS Joseph J. Echevarria Jr. (BBA ’78), a self-described “latchkey kid from the Bronx” who rose to become the U.S. managing partner and chief operating officer of global accounting giant Deloitte LLP, returned to his academic roots on February 17 when he sat in on an undergraduate accounting class. Echevarria, who was on campus for the School of Business Executive In Residence program, participated in Professor Dhananjay Nanda’s Cost Accounting class discussion of the case study of Owens & Minor, a medical supply company.

“The class participation was impressive,” Echevarria said. “Professor Nanda kept all the students engaged in discussion for the duration of the class. It’s much different than the lectures as I remember them when I was a student thirty-something years ago.”

That afternoon, Echevarria gave an extremely engaging presentation to a large audience of students, faculty and staff. He offered the audience his four keys to a good life and a successful career, which he believes are inextricably intertwined: Have passion. Make smart choices. Be a people person. Be original.

Echevarria also had opinions about the cause of the current global economic crisis, and his commentary was blunt: “We loaned money to people who didn’t have the ability to pay it back. And we put trust in people who didn’t deserve it.”

DELOITTE COO Offers Students Career Advice

WE WANT YOUR OPINION!
What would you like to read about in BusinessMiami? Do you like the current mix of stories, or is something missing? We are conducting a special online survey of our readers, and we hope you will participate. It will only take a few minutes, and all responses are anonymous. Please go to www.bus.miami.edu/survey today!

Dean Kahn (right) met with Echevarria after he sat in on an accounting class.
In The News

WINNING STUDENTS: MARGUERITE BEATY

On February 11, the School of Business joined WEL (Women Executive Leadership) at the nonprofit organization’s signature event, Corporate Salute, to honor 16 Florida companies that have two or more female directors on their boards: Office Depot; Ryder Systems; Tupperware Brands; Raymond James Financial; Chico’s FAS Inc.; FPL Group; CSX Corp.; Winn-Dixie Stores; Darden Restaurants; Harris Corp.; Spherion; Stein Mart; Brown & Brown Inc.; Hollywood Media; Flanigan’s Enterprises Inc.; and Imperial Industries.

WEL and the School have participated in a statewide study biannually since 2004. The most recent findings are published in the 2008 Florida WEL Census of Women Directors and Executive Officers. The research is led by members of the School’s accounting faculty, analyzing the number of women who hold executive positions at each firm, the number of companies that have more than 25 percent representation of women on their boards and the percentage of women of color on company boards. The report breaks down the numbers by firm revenue, industry and geographic region, and compares Florida’s executive gender diversity to that of other states.

“We hope these findings provide a very clear picture of the status of gender diversity within Florida’s public companies so that WEL can further its mission to increase awareness in this area,” says Kay Tatum, associate professor of accounting, who led the research project. “We were delighted to participate in this important study again this year, and applaud the 16 companies that stand out as the state’s gender diversity leaders.”

SCHOOL TRACKS WOMEN IN LEADERSHIP ROLES

Municipal recycling was the theme when three teams of MBA students competed for top honors and prize money November 18, 2008, in a series of project management presentations held at the School of Business. The competition, a partnership between the School’s Ziff Graduate Career Services Center and the South Florida chapter of the Project Management Institute, is in its second year. Participants, all UM MBA students, were asked to develop a project management plan for a recycling initiative. The entries had to include plans for project scope, process improvement and management of scheduling, costs, quality, staffing, communication, risk and procurement.

1st-Place Team (left to right): Max Cacchione, Carlos DeBayle, Riegan Sage, Fakhri Mammadov and Robert (Will) Walker.

STUDENT TEAMS PARTICIPATE IN PROJECT MANAGEMENT COMPETITION

On February 26, Dean Barbara E. Kahn was the lead speaker at an event marking the release of the 2009 Who’s Here Multinational Economic Impact Study. The study was conducted by WorldCity in partnership with The Beacon Council, Miami-Dade County’s official economic development agency. The School of Business is a principal sponsor of the study, which has been conducted for the past two years. The study found that South Florida’s 1,146 multinationals oversee more than $221 billion in annual revenues, a 9 percent increase year over year. They represent 54 nations, employ 129,000 workers in Miami-Dade, Broward and Palm Beach counties, and oversee 605,000 workers worldwide.

“It is clear from these findings that Miami and South Florida maintain a competitive edge when it comes to international business, and that positions the region very well for future growth,” said Kahn. “We are very pleased to support this important study and other efforts that illustrate the region’s economic strength and that encourage firms to establish and grow global operations here.”
MD/MBA Students Want to Make a Difference

THEIR BACKGROUNDS are completely different, but what the first two students to enroll in the University of Miami School of Business Administration’s new MD/MBA program have in common — other than an undergraduate major in psychology — is a desire to use the program’s business training to make contributions that extend beyond conventional patient care. The program, which is conducted in partnership with the UM Miller School of Medicine, adds a year of business education following the third year of the traditional four-year MD track.

“I realized early on that policies and administrative issues have a direct impact on patient care,” says Ghislaine Guez, known to her friends as “Gilly.” “I knew that I wanted to help as many people as possible, and for me, this meant being involved in the day-to-day business of medicine and how we run our hospitals. When the MBA program came along, it was the perfect fit.”

So far, she reports, “the MBA classes have been exceptional. Most of this information is brand new to me. The professors are outstanding, and our peers are from different backgrounds and disciplines. In the classes that we share with students in the Executive MBA for Health Sector Management and Policy program, we sit alongside practitioners and administrators, and we learn from their many years of experience in the field.”

Peter Michael believes that the MBA portion of the new program is rounding out his education and giving him critical tools for his career. “Most medical students focus on science and take no business courses whatsoever,” he says. “I always wanted to know about economics and finance as they relate to medicine. After starting the MD/MBA program, I understand even more the importance of business knowledge in a medical career. I also wanted to make sure that if I ever open up my own practice, I have the necessary financial skills. It’s just like any other business — if you don’t know the nuts and bolts of your own practice, you’re going to be at a real disadvantage compared to someone else who does.”

“I hope one day to become involved in decisions about health care policy,” adds Michael. “Many of the people making these decisions now aren’t doctors. I hope to change this and combine the skills I am learning in both medical school and business school to make a difference.”

PEER COUNSELORS REUNITE

The School’s undergraduate peer counseling program celebrated 18 years of service with a reunion of nearly two dozen past counselors on November 18, 2008, during UM’s Alumni Weekend festivities. Peer counselors are top business students selected for their strong academic record, leadership skills, campus-wide involvement and commitment to mentoring business students. Each peer counselor mentors a team of six to eight new students.

Led by Jeanne Batridge, director of advising in Undergraduate Business Programs, the peer counseling program began with 11 upperclassmen serving a targeted group of students. Today, the program boasts 70 peer counselors supporting more than 500 freshmen and transfer students. More than 950 peer counselors have advised more than 6,925 freshmen since the program’s inception.

“What a wonderful legacy of friendship and mentoring this is,” says Karen Donno, the senior advisor who oversees and manages the program. “We hope to continue this reunion every year for years to come.”
Zach Chan and Kenden Pettit’s adventures included a close encounter with elephants in Thailand.
International contacts, language skills and cross-cultural perspectives are just some of the benefits that students gain from a study-abroad program

By Lauren Firtel

Every year, more than 150 students from the School of Business study abroad, taking advantage of a once-in-a-lifetime opportunity. “A study-abroad experience is a very exciting way to discover new approaches to the study of business while enhancing your professional and personal skills as well,” says Jeanne Batridge, director of advising in Undergraduate Business Programs. UM offers exchange programs in partnership with universities in Amsterdam, Hong Kong, Lancaster (U.K.), Monte Carlo, Paris, Prague, Sydney, Vienna and other locations around the world.
The duo took a variety of business courses and lived with students from around the world. "Thankfully, English was an accepted second language," Pettit says. "It was a learning experience just to live with people from around the world and hear what they think of Americans. The opinions were mixed, and it gave me the opportunity to step back and be on the outside looking in."

Pettit and Chan had opportunities to venture to mainland China, Macau, Singapore, Malaysia, Thailand and Taiwan as well. "It was nothing like our average South Florida outings," laughs Chan. Pettit recalls arriving at the Great Wall as a defining moment: "You can look at pictures, but nothing beats standing there with it right in front of you."

As for the future, both students caught the international business bug. Pettit enjoyed the cultural differences and would like to work in Hong Kong after graduation. Chan came home with a new career goal of working for the U.S. State Department; he’s already taking entrance exams.

Through the Undergraduate Advising Office, students may also attend short-term faculty-led programs in the summer and external study-abroad experiences — often the best option for students with a limited time frame for being out of the country. This summer, a faculty-led program in Milan will give undergraduates an opportunity to earn credit in both operations management and art history.

“We are a global business school preparing our students for careers around the world,” says Linda Neider, vice dean for Undergraduate Business Programs. “A study-abroad experience is an invaluable addition to what they already gain from living and learning in the multicultural environment of Miami.”

**ASIAN FUSION**

Friends, fraternity brothers, classmates and roommates, Kenden Pettit and Zachary Chan had the summer of their lives studying and traveling in Asia. Both seniors are from the Orlando, Fla., area but met at UM. Pettit, double-majoring in finance and business law, and Chan, majoring in international finance and marketing with a dual major in political science, signed up for the program at Chinese University of Hong Kong.

“I heard great things about studying abroad even before college,” Pettit says. “I wasn’t sure where I wanted to go, but I wanted something out of my comfort zone.”

Chan, on the other hand, chose Hong Kong because he had visited before; his ancestry is Chinese and some relatives still live there. His challenge was convincing locals that he didn’t speak Chinese. But, he says, “once they figured out I only understood English, they were more than willing to help us get around.”

The duo took a variety of business courses and lived with students from around the world. “Thankfully, English was an accepted second language,” Pettit says. “It was a learning experience just to live with people from around the world and hear what they think of Americans. The opinions were mixed, and it gave me the opportunity to step back and be on the outside looking in.”

Pettit and Chan had opportunities to venture to mainland China, Macau, Singapore, Malaysia, Thailand and Taiwan as well. "It was nothing like our average South Florida outings," laughs Chan. Pettit recalls arriving at the Great Wall as a defining moment: “You can look at pictures, but nothing beats standing there with it right in front of you.”

As for the future, both students caught the international business bug. Pettit enjoyed the cultural differences and would like to work in Hong Kong after graduation. Chan came home with a new career goal of working for the U.S. State Department; he’s already taking entrance exams.

**VIENNA VETERAN**

Miami native Karina Gonzalez wanted to experience a different culture and a new way of life. Although she grew up in Miami’s melting pot and had traveled to Peru and Spain with family, she craved the unknown.

Her opportunity came this past fall at the Vienna University of Economics and Business Administration. The junior accounting major took a variety of courses, some of which focused on the role of women in busi-
ROSS KLEMM

IMAGINE GOING TO SCHOOL IN a place you’ve only read about in glossy travel magazines, heard about in songs like Will Smith’s “Welcome to Miami” or seen on TV in shows like “CSI: Miami.” That scenario is true for exchange students Xiao Long, from Zhongnan University of Economics and Law in Wuhan, China; Brett Dunn, from Murdoch University in Perth, Australia; and Vanda Strijk, from HES Hogeschool van Amsterdam School of Economics and Management in Amsterdam. They are three of the 136 exchange students at UM right now, 46 of whom are studying business.

Long, a finance student, says, “My character has changed a lot. When I arrived in August I was shy, but now I realize there’s no reason to be.” In China, she says, there is a stern classroom environment where students don’t typically ask questions. Long had to work up the courage to participate in class discussions at first, but now she appreciates the more interactive classroom relationship between teachers and students. “It helps us learn better,” she says.

Cultural high points have been a Madonna concert ("I felt very American"), a Miami Heat game (versus the Houston Rockets: “I had to see Yao Ming play while I was here”) and seeing an American presidential candidate speak live on campus (“I was impressed with the election process. It’s unlike anything in China”). Long says her biggest challenge has been finding clothing and souvenirs to take home that don’t say “made in China” on the tag.

For Dunn, language isn’t an issue, but sometimes he has to repeat words for his new friends to understand his Australian accent. Shopping for items like potato chips and laundry detergent “is a bit of a pain,” he says, because he doesn’t know the brands. Overall, though, Dunn loves college dorm life. “No uni at home does that,” he says. “Everyone is a commuter student, so you don’t meet as many people.” While Dunn misses rugby (he plays in Perth), he’s gotten into the Canes spirit. “I’ve gone to a couple basketball games,” he says, “and I look forward to the football frenzy I keep hearing about.”

Dunn already sees real progress in his business education. “Colleges at home have specialties, but UM has experts teaching in all fields. Listening to my professors here gives me a peek inside the business world and a better feel for what I want to do.” Of his exchange experience so far, he says, “it’s been lots of fun and I’m only a month in. I can’t imagine a year from now.”

When interviewed for this article, Strijk had also only been in the United States for a month, but at 25, she has a somewhat different perspective. Originally from Cape Verde, Africa, she moved to the Netherlands to be with her mom when she was 16, at which point she had to learn Dutch before proceeding in school. Just add it to her list: “Portuguese was my first language, but I also speak Spanish, Creole/Afrikaans and Dutch, and I can defend myself in French and English,” she says. “I’m here to improve my English, so I’m trying not to speak Spanish.”

Strijk says that “being here feels like a vacation, but with a lot of homework.” And it still surprises her that attendance can be worth 20 percent of a grade. Given her age and experience working in banking back home, Strijk has more confidence than many of her fellow undergraduates. “I’m proud of my accomplishments,” she says. “I know I’m good, but I hope this experience will have a positive impact when I try to get a job. I think adding ‘American exchange student’ to my résumé will help people notice me.”

— L.F.
Max Dixon (far left) on a cruise around Milford Sound in New Zealand with fellow students from the Sydney Study Abroad program.

Max Dixon is no stranger to foreign travel. The Basking Ridge, N.J., native went to Argentina at age 11, England at 12, Israel at 13, Russia at 15 and Rome between his sophomore and junior years at UM. He also goes to Canada often to visit family. “I am definitely inspired by my mom’s love of travel,” he says. “As a freshman, I knew studying abroad was something I wanted to do.”

Australia was his dream, and Dixon, a senior majoring in management, planned far in advance. After studying ancient sports in Rome, he returned to UM and purposely took two more classes with the intention of taking a lighter load Down Under. At the University of Sydney, Dixon studied sports culture, a class that counts toward his minor. He went to a swimming trial, a rugby match and an AFL match (a combination of football, soccer and rugby, also called footy). In his American history class, he enjoyed being taught about his native country from another country’s perspective. His organizational behavior course taught him how to deal with people in business, although living in a dorm with 35 students from all over the world was its own life lesson. “I grew up, and I learned to be more self-sufficient in Australia,” he says.

Teaching strategies, class structure and grading were also an adjustment. “They have lectures with 200 to 300 students once a week, followed by tutorials with 20 to 30 students,” he notes. “Grading was different too. In Australia, students are graded against their peers.”

Class time aside, Dixon explored Australia with two UM friends who were also visiting. Finding his friend Mikie was an adventure in itself: He ended up on the wrong street, lost, in pouring rain, and was pleasantly surprised when two strangers offered to take him to his friend’s house. Dixon and another friend, Keith, were the thrill seekers. They went swimming at White Haven Beach, skydiving and white-water rafting in New Zealand, and scuba diving in the Whitsunday Islands off the Great Barrier Reef.

Dixon’s most significant life lesson abroad was falling in love. He extended his trip by a week to explore Melbourne, his girlfriend Peta’s hometown. “She came to the States during winter break and we went to New Jersey, New York City, upstate New York, Vermont, Montreal, Toronto and Miami. Now I’m just looking forward to spring break because I’m going back to Australia to see her,” he says, smiling. Dixon’s now-long-distance relationship has taught him patience and inspired him to look into MBA programs in Australia. “I hope a post-grad education from the Australian School of Management will be attractive to employers,” he says.
Global Business Forum
JANUARY 15-16, 2009
Harnessing the Power of the Connected World
Clarity in a Time of Crisis

A stellar lineup of speakers, paired with the worldwide economic downturn, made the Global Business Forum the business event of the year

By Robert S. Benchley

Photographs by Marguerite Beaty (MFA ’02) and Tom Stepp/Pyramid Photographic

Illustrations by Roy Wiemann (MFA ’82)

With the world economy in a freefall on January 15, there wasn’t much for business leaders to smile about. Nonetheless, as the first day of the University of Miami’s Global Business Forum came to a close, the mood was upbeat among the dozens of attendees gathered at a reception hosted by TotalBank. Most had just come from a heavily attended panel session on the world economy moderated by Manuel Santos, chair of the Department of Economics (story, page GB13). It had offered the type of valuable insights they were seeking, and had heard at other sessions throughout the day.

Patrick Barron (BBA ’75), first vice president and chief operating officer of the Federal Reserve Bank of Atlanta — part of the central bank of the U.S., which is responsible for monetary policy, bank supervision and regulation, and the operation of a nationwide payment system — called the Forum “top-notch.”

On the cover (clockwise from top left): The Forum’s appreciative audience; keynote speakers Jack Welch and UM President Donna E. Shalala; Dean Barbara E. Kahn flanked by panelists Barbara Talbott, Four Seasons Hotels and Resorts; Matthew Rabe (MBA ’06), Collective Brands; UM Trustee Richard Fain, Royal Caribbean Cruises and Jose Armario (MSPM ’03). McDonald’s.
The focus is exactly what I desired.” It was high praise from someone with his special perspective on the economic crisis.

Barron was one of nearly 700 business, organization and government leaders who attended the Global Business Forum, one of the most ambitious events ever staged by UM. Hosted by the School of Business Administration, and the brainchild of Dean Barbara E. Kahn, the Forum provided the clarity that attendees were looking for amidst the chaos and confusion of a worldwide financial meltdown.

FOCUSING ON THE ISSUES

“In the wake of an historic global economic crisis, the timing was truly remarkable,” said Kahn. “There could not have been a better time to focus on the issues that we addressed over those two days.”

Indeed, with speakers like the legendary former General Electric CEO Jack Welch, and CEOs from companies like Coca-Cola and McDonald’s, the Forum was destined to be a success even before the opening plenary session began. With eight keynote speeches and 16 panel sessions organized by the School of Business, the School of Architecture, the School of Communication, the School of Law, the Miller School of Medicine, the Frost School of Music, the College of Arts and Sciences, the College of Engineering, the Graduate School, the Johnson L. Edosomwan Leadership Institute and the Launch Pad, the event offered attendees from around the world two jam-packed days of thought-provoking discussion and the opportunity to witness UM’s collaborative capabilities at their very best.

“We had all the usual concerns of planning a large, complex event: What if a major speaker becomes ill? What if the weather doesn’t cooperate? Although we could feel the strong headwinds, we did not foresee the economic freefall that we witnessed as the Global Business Forum opened,” says Arun Sharma, vice dean of strategic initiatives and chair of the Department of Marketing, who had overall responsibility for planning the Forum. “Nor could we have foreseen how the collapsing economy would change and shape the nature of many of the keynote speeches and panel discussions, or the informal discussions between attendees. The Forum’s flexible design and the expertise of our speakers made the whole event even more relevant and powerful than we had hoped.”

SPONSOR SUPPORT

Such success could not have been achieved without the backing of the
Forum's sponsors. The John S. and James L. Knight Foundation signed on as the presenting sponsor; so did Blue Cross and Blue Shield of Florida as the title sponsor. Other sponsors included Bank of America and U.S. Trust, Bank of America Private Wealth Management, Blackline Systems, FedEx Express, TotalBank and the University of Miami Citizens Board. Marketing partners were the Jeffrey Group, The Miami Herald, Poder magazine and WorldCity Business magazine.

MAKING AN IMPACT
The Forum received local, national and international media coverage, ranging from C-SPAN to Bloomberg News, and was widely viewed as being the best event of its kind by those in attendance.

“When you put up world-class speakers, you’re going to get first-class presentations,” said Bob Munch (AB ’73) of Mizuho Corporate Bank. “The speakers here are really able to connect the dots. I have not been to any events run better than this one.”

“This is an exceptional conference concentrating on all the relevant challenges — energy, economics, health care — that we are facing all around the world,” concurred Harvey Wagner (BBA ’63) of Caregiver Services. “It’s an excellent venue to discuss global initiatives.”

And although the Atlanta Fed’s Pat Barron was as enthusiastic as any attendee about the Global Business Forum, he was also forward-looking: “This needs to be repeated,” he said.

PLANNING FOR 2011
Barron wasn’t alone in his assessment, and the University of Miami is responding. In 2011, the university will again bring together some of the most influential leaders in international business and academia, this time to address the critical business issues faced by organizations at the start of what will be a new era of economic recovery and growth.

“As a leader in research and education on global business issues, the School of Business is dedicated to engaging our alumni and the wider community in the type of discussions we saw at the Global Business Forum,” says Kahn. “We will build on that success, hosting other impact conferences and working with the business community to develop professional growth opportunities that position the School as a true international thought leader.”

The 2011 Global Business Forum will provide a platform for discussion on the economic, social and political implications of globalization. To learn about sponsorship opportunities, contact George Corton, senior director of development, at gcorton@miami.edu or 305-284-4052.

VIEW THE 2009 GLOBAL BUSINESS FORUM ONLINE!
Coverage of all of the 2009 Global Business Forum speakers and sessions can be found in the following pages; additional coverage, photographs, videos and transcripts are available on the Forum’s multimedia Web site, www.UMGLOBALFORUM.COM. Visit the site to find:

- Highlights Video: A comprehensive overview of the forward-thinking discussions on global connectivity, innovation and leadership.
- Session Papers: 24 articles that reveal the insights shared during each of the eight keynote speeches and 16 panel discussions.
- Keynote Speeches: See the much-talked-about Q&A with Jack Welch, plus videos and transcripts of other speakers.
- Photo Gallery: More than two dozen photographs of speakers, events and attendees.
- Media Coverage: Articles and broadcast coverage by media outlets from around the world.
A Time for Turning Outward

Restrictive trade covenants represent the greatest danger to worldwide recovery

THE WORLD’S ECONOMIES HAVE become increasingly entwined and complex over the past half-century, and the trend toward more connectedness is irreversible. However, current economic conditions are a threat to the modern era of globalization, warned Michael L. Ducker, president, International, of FedEx Express, a Forum sponsor.

“What’s vital to economic growth is a greater level of access to goods, services and ideas,” he said, stressing the importance of finding solutions to obstacles that stand in the way of that goal.

FedEx commissioned an independent research firm to study and measure access about five years ago, creating an index ranking 75 nations on two dozen indicators related to access (for example, trade, transportation and telecommunications). The study concluded that access is a driving force of economic growth for countries at all income levels, but especially for small, resource-poor nations. As access increases, gross domestic product rises; the latest version of the study, released last year and covering 109 countries, shows that the correlation between access and GDP has increased by 26 percent since 2005.

However, the 2008 study highlights several key trends about the current economic environment that foreshadow significant challenges to global access, Ducker reported. Two of particular concern are protectionist sentiment, which may be growing, and heightened security measures, such as tightened customs regulations. “From my perspective, protectionism in all forms is one of the primary barriers to access today,” he said.

In addition, the free flow of goods is often impeded by international customs practices, which have been tightened in many countries due to security concerns. Ducker maintained that cumbersome and contradictory customs regimes “are the greatest non-tariff trade barriers in the world.”

Overstressed transportation systems are compounding the challenges of a just-in-time supply chain that now stretches across multiple countries and continents. It is imperative that infrastructure improvements be sufficiently funded across the board and that tax monies earmarked for such projects not be diverted to other uses, Ducker argued. In areas such as Latin America, poor infrastructure jeopardizes economic competitiveness, he said, citing a World Bank report.

While challenges to global access are real, Ducker maintained that solutions can be found, and that it’s important for nations, businesses and individuals to stay focused and work collaboratively on turning those challenges into opportunities. The elimination of trade and investment barriers that inhibit growth, and the negotiation of free trade and other investment regulatory agreements that give countries access to needed capital, products and services, will go a long way toward achieving that goal, he said. “But most important — and this one is key — we have to turn outward, not inward.”

“From my perspective, protectionism in all forms is one of the primary barriers to access today.”

Access

KEYNOTE SPEAKER

Michael L. Ducker
President, International
FedEx Express

WRITTEN BY

Michael J. McDermott

www.UMglobalforum.com
Catering to Connected Customers

Web-enabled citizen participation in media has revolutionary implications

The impact of global connectivity on modern life is proving to be immense, and its reach is not limited to a single venue. In fact, we are about to see an acceleration in connectivity of all sorts, beginning with “an explosion in digital access and participation by citizens in a fundamentally different way than ever before,” Alberto Ibargüen predicted.

Ibargüen is president and CEO of the John S. and James L. Knight Foundation, the Forum’s presenting sponsor, which has given out more than $400 million in grants supporting excellence in journalism and community vitality since its formation in 1950. While acknowledging that the foundation does not count business among its own areas of focus, Ibargüen nevertheless maintained that issues around digital connectivity are as important to the business community as they are to the foundation.

Ibargüen emphasized that the level of interactivity the Internet makes possible is what sets it apart from other media. That is affecting how people relate not only to media in general but also to other points of interaction in their lives, including commerce. “Businesses need to learn how customers are going to relate to them in a different way as a result of those changes,” he advised.

Connectivity matters to businesses for two big reasons, one macro and one micro, Ibargüen said. He cited a January speech by Federal Reserve Board Chairman Ben Bernanke in which Bernanke noted that recent events have made it clear that the world is “too interconnected for nations to go it alone” in their financial policies. The speech focused on substantive international cooperation, not digital access, Ibargüen acknowledged, but he was struck by Bernanke’s recognition of the role media — meaning everyone who has access to the digital realm, not just news organizations — have in the interconnected global world. “You can’t get any more macro than that,” he said.

The micro reason has to do with the creation of opportunities and changed customer expectations. “When the world economic order functions in concert ... you’ll find not only an explosion of opportunity on the Web but a change in the way business is conducted and in the expectations of your customers,” he said.

Historically, units of government, local and regional economies, and social patterns have been consistent with information delivery and sharing — “spheres of shared information” defined by the circulation area of a newspaper or the reach of a local radio or TV station. “Just think how dated that sounds” today, Ibargüen said.

In closing, Ibargüen reminded the audience that information is a core need for communities in a democracy and a core need for commerce. “How that information is delivered and used will increasingly determine the health of communities and the success of your enterprise,” he said.
Prepare for a Multipolar Future

Reinvention, innovation and a broad worldview are the formula for success

Coca-Cola’s formula may be a secret, but the parent company’s president and CEO, Muhtar Kent, was more than willing to reveal his prescription for coping with the current financial crisis during a luncheon sponsored by Bank of America and U.S. Trust, Bank of America Private Wealth Management.

The key ingredient? A sense of optimism. The United States will emerge from the recession “stronger and sooner than most people anticipate,” Kent predicted. The country’s “entrepreneurial energy” and “heritage of innovation,” he said, will make that happen.

“Tough times like these,” he added, “are not an excuse to sit back and ride out the storm. This is a time to confront the current reality, head-on, with courage, with determination and with strategic dexterity.”

But it is crucial, Kent said, to recognize that most people in the United States and abroad now have a low opinion of corporations in general. He cited recent Gallup polls indicating that only 7 percent of Americans hold Big Business in high esteem. Seven out of 10 Americans and Europeans believe that global trade is not good for their nations; the percentage of such naysayers is only slightly lower in Asian and Latin American nations with emerging economies. Thus, companies with global aspirations must do a much better job of showing people how international trade can help them. To that end, businesses, government agencies and educational institutions will have to “partner like we’ve never partnered before,” he said.

Another ingredient is leadership based on the understanding that the planet is becoming “multipolar,” meaning that “economic, political, social and cultural influences now radiate from several nations around the world,” Kent explained. For example, Coca-Cola is preparing for a multipolar future by seeking recruits who have an expansive worldview.

“We look for people who want to know our business inside out ... but have also spent a lot of time in markets, soaking up knowledge and experience outside of the walls of our companies,” he said. “People who can speak the language of small, traditional mom-and-pops as well as huge, 200,000-square-foot stores, who are flexible enough to understand the pressures and local cultural nuances associated with being a sole owner of a small street-corner bodega in Paraguay or Nairobi. We’re looking for people with diverse backgrounds and diverse points of view.”

The formula also requires being green, and Coca-Cola is keen on reducing its carbon footprint and water consumption and expanding recycling efforts, Kent assured the audience. “Our business in any market around the world — take any of the 200 markets — is only as healthy and sustainable as the communities that we serve. There is a one-to-one relation in terms of healthy, sustainable communities and healthy, sustainable businesses,” he said.
An Enthusiasm for Untapped Markets

Developing countries are in the driver’s seat, and the recession is only “a speed bump”

WHEN UNIVERSITY OF MIAMI Provost Thomas LeBlanc took the podium to introduce the Global Business Forum’s first luncheon speaker, he ended his remarks with a plea for those present to be considerate.

“Ladies and gentlemen,” he said, “please hold all your calls on your mobile phones, turn off your e-mail, and join me in welcoming Mr. Arun Sarin.”

But Sarin would have none of it. “As far as I’m concerned,” he said with a broad smile, drawing laughter and applause from the audience.

Sarin is the former CEO of Vodafone Group PLC, the largest mobile phone company in the world by revenue. With 260 million customers, it is second only to China Mobile’s 370 million customers. Much of the company’s growth was achieved under Sarin, who aggressively expanded into emerging markets in Asia, Africa and Eastern Europe, while trimming operations in saturated European markets after becoming CEO in 2003.

His remarks reflected his enthusiasm for those untapped markets.

“When you think about where wealth is being created today, wealth is being created in China, in India, in Russia,” said Sarin, a native of India but a resident and citizen of the United States.

“Emerging markets now produce 80 percent of the incremental GDP being produced in the world. Developed markets only produce 20 percent.”

The global recession, he added, won’t change that. “The recession is a speed bump,” Sarin said. “What is happening is something profound that is going to last 10, 20, 30 years.”

“The point is,” he continued, “we just need to think of the world, the globe, as our marketplace.

“One of the best defenses that we have … is to lead this parade, rather than shy away from it.”

Not the 50 states of America, which we did for a while.”

Driving this change is the rapid pace of technological innovation. And American companies can’t afford to be complacent.

“We have to innovate in everything,” he said. “Competition is going to come from everywhere.”

He pointed out that 20 to 30 years ago most innovations came from the U.S., Europe and Japan. That’s where the scientists, the resources and the universities were. But today, according to Sarin, China is producing 500,000 engineers a year, India is producing 250,000, while the U.S. is producing just 75,000 a year.

“Those engineers will need something to do, and necessity is the mother of invention,” he warned.

To be competitive, America needs to embrace the flood of foreigners seeking advanced education here, and see them as a catalyst for its own research and development. “Just make sure you have good IPR [intellectual property rights] protection,” he said. What we should not do, he added, is be frightened of that change.

“Frankly,” Sarin asserted, “one of the best defenses that we have, to make sure that our standard of living and our GDP continue to grow, is to lead this parade, rather than shy away from it.”
Restoring Investor Confidence

Globalization and the economic downturn are changing wealth management

INVESTORS AND WEALTH MANAGERS will need to adapt to a new world of lower profits and slower growth, refocusing on basic principles of sound management, Frances Aldrich Sevilla-Sacasa told the audience at the concluding plenary session.

Sevilla-Sacasa (AB ’77), the former president of U.S. Trust, Bank of America Private Wealth Management, described how the economic crisis and a new generation of wealthy individuals are changing the business of wealth management. Globalization has given people access to more investment opportunities than ever and, consequently, they have taken on more risk.

They face greater losses in the current downturn than they might have in years past because of the growing interconnectedness of world economies. “What happens on Wall Street is felt thousands of miles away in real time. What happens in Japan or in China or in Germany or Iceland affects all of us. It affects our pocketbooks, our savings, our confidence and our intentions for the future,” Sevilla-Sacasa said.

Global investors are looking for indicators that will give them hope for the future, and restoring their confidence is at least as important as restoring consumers’ confidence. Once concerned mostly with wealth preservation, safety and inheritance, the wealthy have recently taken on more risk for the prospect of better returns. While this has injected a tremendous amount of capital into global markets, “we all grew accustomed to instant gratification for quick and easy profits,” she said.

She does not expect those kinds of gains to continue. “All of us must become more accustomed to reasonable rates of growth and returns,” she said.

With the total global wealth available for investment estimated to reach as much as $50 trillion during the next three years, wealthy families will keep changing what they expect from their wealth managers. Expect a return to the basics — wealth preservation, safety of assets, diversification and appropriate planning strategies — that were often overlooked during the “exuberant” times. Sevilla-Sacasa believes clients will look for experienced leadership, and will demand risk-management controls, transparency and the highest level of ethics from both their wealth managers and from the investments where those managers put their clients’ money.

Successful firms will also be sensitive to a variety of cultures and effectively advise multiple generations of wealthy families. In many cases, advisors will be breaking new ground as they learn to communicate with younger investors, who may have more formal education than their parents, are generally well traveled and well informed, are technologically savvy and are connected with the world at large. Along with a global perspective, they value innovation, speed and access to information and thought leadership.

This generation will influence their parents and grandparents. Pushed in part by them, wealthy families will look to invest in companies with strong corporate governance, a commitment to social responsibility and sustainable business strategies that produce consistent, reliable and reasonable profits. Restoring these basic principles, said Sevilla-Sacasa, “will help restore investor confidence.”

“...What happens on Wall Street is felt thousands of miles away in real time.”
Can Health Care’s Ills Be Cured?

Hope rests with the new administration in beginning to address the challenge

“MIAMI ES EL MUNDO — MIAMI is the world,” is how Donna E. Shalala, president of the University of Miami, welcomed Forum attendees in her opening remarks. The former Secretary of Health and Human Services went on to talk about the cultural diversity and global connectedness of Miami — both the city and the university — and their importance to business, but much of her talk and the question-and-answer session that followed focused on health care and its impact on the competitiveness of U.S. businesses.

The University of Miami helps shape the business world’s perception of South Florida as a thriving and competitive global marketplace, Shalala noted, and a significant part of its mission lies in creating opportunities for economic growth through innovation, and by strengthening the important connections between higher education and the business community. The university serves as an incubator and clearinghouse for new ideas and increased productivity in a culturally and ethnically diverse environment that looks more like the “real world” than the ivory tower, she emphasized.

Shalala, who was awarded the Presidential Medal of Freedom in 2008, noted that many people, herself among them, have great hopes for the administration of President Barack Obama. “I not only expect the new administration to inspire the next generation of young people to be entrepreneurial ... I also expect this administration to understand that American business cannot survive without us doing something about what is currently called the health care debate,” she said. “The burden of health care on our employers in this country has become untenable to make us competitive around the world.”

Floating the idea that it might be time to move away from an employer-based system for the provision of health care, she proposed that a piecemeal approach to making the shift might have the most realistic chance of succeeding. She envisioned a system where health care is provided to all workers by entities organized cooperatively by the government and the private sector. The goal, she argued, is to provide access to health care without it contributing an additional cost on products and services provided by American companies, which puts them at a disadvantage to their international competitors that benefit from government-provided health care.

The initial move away from employer-sponsored health care will not be dramatic, Shalala predicted, but will likely begin by focusing on the 47 million employed workers and their families who do not have health insurance, and on the recently unemployed. “It is that group ... that the new administration will move to help cover, probably through existing platforms and programs, and probably by understanding that we have to take some of this burden off employers, particularly small employers,” she said. “The politics of health care will become a dramatic part of the first year of the new administration, in my judgment.”

“The burden of health care on our employers in this country has become untenable.”
TO NAVIGATE THE MODERN landscape and succeed in an increasingly connected world, Jim Skinner believes companies of all sizes need to move quickly and innovate constantly.

“I’ve spent a lifetime looking at the world up close, and one of the things that strikes me is the incredible pace at which our world has advanced,” Skinner said. “Nothing stays unique for long. The products and services that we deliver can be copied in no time at all — and they have been.” That’s why, he noted, no matter the environment or the size of a business, the No. 1 thing a company must do is innovate — fast. “If you are not always on the next thing, you will fall behind,” he said.

After innovation, a company’s second priority must be a customer-centric view and strategy. McDonald’s almost left this principle behind in the late 1990s and early 2000s, Skinner noted. In 2002, it experienced its first quarterly loss, the stock priced sagged to an all-time low, and it lagged behind its rivals in most customer-satisfaction surveys. It had focused too much on getting bigger, rather than on getting better. “We took our eyes off our fries,” Skinner said. Its response, the “Plan to Win,” focused on customers, making the restaurant more modern and inviting, elevating the quality of food and service, and offering a more varied menu. It also introduced the hamburger chain’s first worldwide marketing initiative, the “I’m Loving It” campaign, which replaced as many as 40 different marketing messages.

Communicating clearly to both customers and employees is Skinner’s third business priority. Whether a company is humming along or in crisis, leaders should have a clear offer, campaign or strategy and let all stakeholders know what it is. That “makes all those who are tuned in to your business show faith and trust in the future,” he said.

Of course, with blogging, round-the-clock news, text messages and other communications revolutions, it’s harder for a company to control its brand message. Moving quickly and clearly is more important than ever. And, with an interconnected world giving almost every brand global reach, companies must demonstrate that they are a “good global citizen,” Skinner said. Ways to do that, he noted, include recruiting locally and observing local customs, as well as charity and sustainability efforts.

To achieve all of these priorities, companies must manage their workforces and train future leaders. “Learning curves are getting steeper, reaction times are getting shorter, and everything is simply moving faster,” Skinner said, so companies must make a real effort to manage their talent.

He acknowledged that these principles are tough to achieve. But, he said, “I firmly believe that every step you take down this path will help you grow your global business and reach your potential in this truly limitless age.”
According to Jack Welch, the best companies field the best teams — and to do so, they make hiring the right people a priority.

Welch was chairman and CEO of General Electric Company for more than 20 years. Now a columnist and author, Welch is famous for speaking "straight from the gut" (the title of his autobiography), and he didn’t disappoint. Sitting down for a lively question-and-answer session with University of Miami President Donna E. Shalala, he also took on all comers in the audience.

He began with an assessment of then-President-Elect Barack Obama’s initial hiring decisions, saying that Obama got off to a great start by choosing strong people for his administration, but will now have to meld them into a team. Obama will also have to keep his team of stars from dictating his agenda, just as all chief executives must do. At GE, Welch tried to keep his view of the companywide and deep by surrounding himself with people who had their ears to the field.

"Headquarters doesn’t make anything. They don’t sell anything. All they are is overhead. The whole objective is to get them to work so they are the grease of the people in the field," Welch said.

Whether it’s the headquarters team, a manufacturing plant or a remote office, having the right people in the right positions is key to management success. That’s why, Welch insisted, the human resources manager should be the No. 2 position in any company. He gave as an illustration the Miami Dolphins, pointing out that the team accountant is not the most important person in the organization; the head of player personnel is. In business, as in sports, “the team that fields the best players wins,” he said.

Fielding the best team is not just about hiring. A company must put effort into keeping its stars and moving the rest out. Welch’s famous 20-70-10 directive says you reward the top 20 percent of performers, develop the middle 70 percent, and let the bottom 10 percent know that they aren’t measuring up, then encourage them to seek other employment or terminate them.

For this principle to work, a company must have quarterly, honest, thorough and fair evaluations. Welch feels it’s kinder to cut an employee loose early on. “The worst thing is to take somebody in their 50s and give them surprises [by laying them off] in bad markets,” he said.

The bottom line: All successful managers enjoy seeing the people who work for them succeed. From the time you become a manager, Welch said, “you are no longer the person raising your hand with the answer... You will get promoted on the reflected glory of your people.”

Finally, Welch talked about being a CEO, saying the thing he most wished he’d done more was “move faster on instinct.” Would-be Jack Wéchselers should trust their instincts as well, in addition to learning from everyone they encounter and reading voraciously, he added. Most important is “to get comfortable in your own shoes, [so] you like who you are every day, and you like what you’re doing.”
Seeing Through the Gloom

Monetary policy will eventually provide some relief

As job losses and credit freezes plague the world’s mightiest financial systems, banking leaders find themselves in the crux of today’s most pressing issues. But the three industry leaders who participated in a panel discussion sponsored by TotalBank say they are operating with an eye toward recovery.

Today’s tough times are marked by some telling statistics. Consumption is suffering thanks to rising unemployment rate in the United States that’s choking consumer incomes, moderator Manuel Santos said. And while the labor market had become accustomed to the U.S. economy creating 200,000 new jobs each month, it now watches at least an equal number disappear during those same 30-day increments, he said.

In order to consider the situation with clarity, banking leaders are forced to look back over the past few years. Roberto Higuera pointed to subprime loans, likening them to bacteria that sickened the world’s markets. “We had poor, insufficient hygienic conditions in the financial world,” he said.

The securitization of home loans was initially backed by good intentions, added Bill Heffernan. But the problems began to brew when investors — thanks to Ginnie Mae, Fannie Mae and Freddie Mac — began to see them as risk-free. Throw in the so-called “NINJA” loans (mortgages made to people who could barely make the payments because, as the acronym implies, they had No Income, No Job or Assets) and you have a recipe for disaster. “Mortgages became a joke,” he said.

Economist Ricardo Lago, who has held senior positions at the European Bank for Reconstruction and Development, the World Bank and the Inter-American Development Bank, however, suggested a downturn in economic conditions will commonly follow a period of rapid expansion. The Great Depression, he pointed out, came almost immediately after the introduction of radio and the growth of the automobile and electricity across the United States. “Prosperity and financial investment eventually generated permissiveness, high leverage and a crash,” he explained.

“Prosperity and financial investment eventually generated permissiveness, high leverage and a crash.”  
— RICARDO LAGO

Given the severity of the economic situation, economists have no choice but to compare it to the stock market crash of 1929. Still, the panelists all agreed, today’s conditions have not come close to matching the economic destruction seen 80 years ago. Back then, pointed out Santos, unemployment clocked in at 25 percent, output fell by 40 percent, prices dropped by 50 percent, and half of all banks disappeared.

Both monetary policy including the adjusting of interest rates by the Federal Reserve Board and fiscal policy in the form of government spending will eventually provide some relief, Lago predicted. In the meantime, the U.S. economy could be trapped with a liquidity problem or even plagued with hyperinflation. “It’s a razor-blade issue,” said Lago. “It’s hard to stay at edge.”

Economy

Global Connectivity and Economic Crisis

MODERATOR
Manuel Santos
Professor and James L. Knight Chair, Department of Economics, School of Business Administration, University of Miami

PANELISTS
Bill Heffernan
President and CEO
TotalBank

Roberto Higuera
Vice Chairman and Chief Executive Officer
Banco Popular Español

Ricardo V. Lago
Economist

ORGANIZER
School of Business Administration

WRITTEN BY Brett Graff
TURMOIL IN THE OIL MARKETS THREATENS global stability. Will the wheels of commerce grind to a halt if the developed world can’t get its products to market? Will the developing world go hungry if food prices spike because of high transportation costs? A panel discussion tackled those questions with an eye toward new energy sources that might help solve some of the problems the world is facing with regard to energy use.

Most important, the United States and other nations will need to explore a patchwork of energy sources to augment and eventually replace the world’s depleting oil reserves, the panelists agreed.

As Florida Power & Light’s Eric Silagy put it, the first fuel of choice is conservation.

FPL, in fact, has a subsidiary that markets alternative energy sources, such as solar, wind and nuclear. But, as a for-profit company, it can’t really take the time to do its own research and development. “We’re not going to use customer money to do that,” Silagy said.

Royal Caribbean has been innovating with alternative power for years, using biofuels and fuel cells as well as solar and wind power. As a result of those efforts, Adam Goldstein was tapped to join a joint military/business council dedicated to weaning the country from sole-source energy dependence. “Oil dependency undermines U.S. security,” he said. “True energy security is found in a diversity of supply.”

Geopolitically, the outlook is not good, Goldstein added. Relationships between many of the oil-producing countries and the United States are tense. “We’re very dependent on West Africa,” he noted, then explained how unrest in Nigeria threatened that supply. In this hemisphere, he mentioned Venezuela, whose president is outright hostile to the U.S. Ultimately, the short-term answer lies with consumers. “This is how you redefine citizenship,” he said. “Right now we live in a short-term mentality.” That will have to change.

Paul Stebbins picked up on that sentiment, noting that in a publicly traded company, taking the long view can be difficult. “I live in 90-day increments,” he said, referring to scheduled earnings reports. “It’s very hard to master the political will” for such broad change.

Shihab Asfour touted the success of the University of Miami’s Industrial Assessment Center, a U.S. Department of Energy-funded program he runs that provides free energy audits to businesses. Expanding such audits, he said, could help companies run much more efficiently.

Moderator Nerat Veziroglu offered an unusually optimistic glimpse into the future. For decades he has been championing hydrogen energy as a replacement for fossil fuels, which he estimated will begin to run out in 2020. “Hydrogen energy will eliminate the petroleum wars. There will be no pollution or noise in our cities,” he said. “The world will be a paradise.”
Emerging markets like Asia and Latin America are the global economy’s best hopes for recovery. That was the conclusion of experts participating in a panel on the prospects for those particular regions. Since developing countries have produced an estimated 80 percent of the world’s gross domestic product growth during the past five years, said moderator Arun Sharma, any escape route from the economic crisis would, as he put it, “have to come out of these developing countries.”

Latin America and Asia account for 50 percent of the world’s population and GDP, Sharma said. They also boast 65 percent of global GDP growth — basically $170 billion in trade, a figure that is growing at an impressive 15 percent annually.

Juan Cento of FedEx Express, a Forum sponsor, observed that Latin America has been somewhat buffered from the recent global economic downturn. “You know the famous saying about the U.S. economy catching a cold and Latin America catching pneumonia? We really did not see that effect hit [the region] immediately, like in the past,” he said.

“You stifle innovation … when things are onerously expensive.” — CRAIG HERKERT

Free trade has also been increasing between Latin America and Asia. Sharma pointed out that 15 percent of Latin America’s trade goes to Asia. According to Cento, that figure is rising. “[In 2008] the trade between Latin America and China was $111 billion in just three quarters,” he said. “Right now, China is the second-largest trading partner to a significant number of Latin American countries.”

China and India have formed free trading bonds with Brazil within the World Trade Organization. “They are starting to work together while we are moving away from doing free trade agreements with Panama and Colombia,” Sharma observed.

Latin America and Asia are also becoming frontrunners of a race once dominated by the U.S.—innovation. Sure, Chevrolet plans to roll out the electric-powered Volt in late 2010, but Sharma pointed to the F3DM, an electric car powered by lithium ion batteries, that is zipping through the streets of Shanghai right now. He added that the Indian company Tata makes the world’s least-expensive car — the Nano, a low-emissions, gas-powered vehicle that sells for $2,500.

The panelists agreed that as trading partners, Latin America and Asia have their challenges, such as environmental problems, poor infrastructure, scarcity of clean drinking water and product safety controls.

In Latin America, tariffs are another frustration. Although the main source of revenue for many Latin American governments, taxes on imports are so high, according to Cento and Craig Herkert, that they hurt their own consumers and local businesses. “You stifle innovation, stifle people’s ability to interact with the rest of the world when things are onerously expensive,” Herkert said.

Nonetheless, Cento affirmed that developing economies would play a critical role in the future of the global market. “We are very bullish about Latin America,” he said.
WHETHER IT’S ADDING ROCK CLIMBING WALLS to cruise ships or setting up home delivery for the Cairo McDonald’s, business executives go to great lengths to build customer loyalty. But oftentimes the key to keeping customers isn't fancy amenities but rather an investment in the company’s employees. The participants in the panel discussion, representing different industries, offered case studies of how they oriented and reoriented their respective business models to please customers around the world.

Knowing the customer is an obvious first step. For Collective Brands, a footwear company, that meant sending a team to live with families in Latin America for a week to explore how and why certain shoes ended up in their closets, said CEO Matthew Rubel.

At Four Seasons, customer strategy starts with a basic emotion: empathy, according to Barbara Talbott. In a survey, more than 60 percent of the hotel chain’s wealthy customers said they agreed with the following statements:

- I am working harder than ever.
- I never have enough time.
- I don’t get enough sleep.

In response, Four Seasons makes it its job to cater to their needs. That means offering one-hour pressing and four-hour dry cleaning services, and allowing guests to call room service from the car on the way to the hotel so that a meal is waiting for them on arrival.

Jose Armario recalled how McDonald’s embarked on a customer-centered strategy in the late 1990s, after management realized that years of expansion had caused the company to lose its focus. Unlike at Four Seasons, McDonald’s customers around the globe have a varied profile. What could the company do to please them all?

“We are undeniably a well-known brand,” Armario said. “We are also a local neighborhood business run by a mom and dad with their children running alongside them.”

McDonald’s decided to provide guidelines so the franchise owners could come up with their own solutions based on company-wide priorities including customer engagement.

New ideas emerged. McDonald’s in Egypt started home delivery, a concept that later spread to parts of Asia and Latin America. In Australia, McDonald’s opened a McCafe coffee shop within a restaurant — a concept now in 30 countries including Germany, Singapore and Brazil.

“We’ve been able to see greater innovation that we’ve been able to replicate to other parts of the world with similar consumer needs,” Armario said.

The panelists agreed that service was key to keeping customers.

Hiring the right people is as important as “location, location, location” [is] in real estate,” Talbott said. “It’s tough to change and so much of the value is right there.”

Different companies do that in different ways. At Royal Caribbean, that means making sure the company is a good fit for the applicants’ interests. The cruise line takes prospective housekeeping staff through a mock cruise ship cabin, having them make a bed and complete other tasks required for the job. That cuts down on turnover.

“We get crew members who are not only qualified but know what they are getting into and are pleased when they get there,” Fain said.
Between Commerce and Culture

Global brands satisfy consumer demand, but at what price?

IN FERNANDO PAIZ’S VIEW, THE EFFECTS OF globalization on Latin American consumers are epitomized in the work of indigenous Guatemalan craftsmen — for example, traditional slingshots for hunting with images of the American TV character Xena the Warrior Princess carved into them.

TV and digital media are penetrating Latin American homes, changing and expanding consumers’ desires and expectations, said Paiz, who participated in the discussion of the effects of brand and culture, through the prism of Latin America in particular.

“... make sure you have a message that is both differentiating and relevant.”

— HAYES ROTH

Consumer demand for a greater variety of products is opening the door in Latin America and elsewhere to multinational companies like Wal-Mart. But creating a brand for the global marketplace poses significant challenges, the hardest being crafting a message that sets the brand apart yet works across geographies and time zones, said Hayes Roth.

“The challenge is to understand constituents and make sure you have a message that is both differentiating and relevant on a macro scale, and tailorable on a local scale,” Roth said. “That isn’t easy to do.”

Other factors play into international branding decisions as well. When Wal-Mart acquired Paiz’s 80-year-old Guatemalan supermarket chain, he said he took a hard look at his own brand — and decided to keep it. Although owned by Wal-Mart, the stores operate under their original names. His competitors, though, try to depict Paiz’s stores as “American” while they are true “Guatemalan” stores.

But being a part of the Wal-Mart empire has distinct advantages, he said, not the least of which is access to goods at a cheaper price, which can be passed on to consumers. Paiz said it has also allowed the Guatemalan stores to save on energy costs and its carbon footprint.

While the entry of international brands has brought some benefits, said George Yudice, the influx of commercial goods from a globalized culture (like all those slingshots emblazoned with Xena) often leaves little room for local products, commercial or cultural.

For example, Yudice has conducted research in Costa Rica on music played on major radio stations. He found that royalties from 95 percent of the music played go to the U.S., Mexico or Spain. Only 5 percent stayed in Costa Rica. In no Central American country did the royalties for national singers exceed 7 percent.

“Saturation of the airwaves makes it impossible for Central Americans to circulate their own narratives, images and sounds to their own country, and beyond their borders,” which has an important effect on shaping identity, Yudice said.

Ethicist Ken Goodman, a professor of medicine and philosophy, discussed the treatment of workers. “There are good reasons to believe that what is right or wrong does not vary by region,” he said. “If you are exploiting people on the basis of gender or indigenous status, for example, it will not do to say that you have always done so, or that it is what defines your culture. It is wrong — and wrong everywhere.”

---

Commerce

Cultures, Brands and Globalization

MODERATOR
Michael R. Halleran
Dean, College of Arts and Sciences, University of Miami

PANELISTS
Kenneth W. Goodman
Co-director
UM Ethics Programs
Founder and Director
Bioethics Program
University of Miami

Fernando Paiz
Chairman
Wal-Mart Centroamérica

Hayes Roth (AB ’72)
Chief Marketing Officer
Landor Associates

George Yudice
Professor, Department of Modern Languages and Literatures, University of Miami

ORGANIZER
College of Arts and Sciences

WRITTEN BY Marika Lynch
Crashing Digital Music’s Borders

Redefining “ease of use” for a global music market

WHEN BOB KOHN FIRST STARTED IN THE music industry, it took 15 minutes to download a song to a computer. That is, if it wasn’t coming through a dial-up Internet service that tended to boot users off mid-track.

That comment garnered a chuckle from his fellow panelists. It also served as a reminder of how far the industry has come. The explosion of music technology over the past decade has dramatically changed the production and distribution of music, allowing connected people to carry their music collections in their pockets and producers to market works globally.

The advent of the MP3 audio format has sped up that process and given producers the global reach, said digital audio expert Schuyler Quackenbush. “I produce in New York. Can I sell in California? Can I sell in Brazil? MP3’s success gave consumers portability and interoperability,” he said. “As a producer, why wouldn’t I want to sell in every market in the world? We’ve heard about how, in a few years, China, Brazil and India are where the action is going to be in terms of consumer growth. Interoperability helps us be there.”

Although technological interoperability enables a global market, Quackenbush and Kohn agreed that technology alone is not the next challenge for online music. To expand the market, innovators need to work on making the technology more consumer-friendly and easier to integrate into daily life. Apple’s iTunes has made it vastly easier for consumers to download and store music digitally, Kohn said. But, he argued, digital music will “really take off” when portable devices are truly operable across the variety audio formats, other than MP3, which have also become popular in recent years.

Those devices should also be able to recognize music and download it instantly. “I go into Abercrombie & Fitch to buy something for my son, and I hear something I like,” Kohn said. “I wonder, What is that? How do I get it?” In his estimation, a portable device should not only be able to recognize music and download it, but suggest similar songs and artists.

While some companies have worked with adding metadata to tracks, or embedding unique audio fingerprints or “watermarks” directly into audio that devices can recognize, these practices aren’t standard. “We’re not there yet,” Kohn said.

The third panelist, Robert Fuhlbrugge, who works for a wireless microphone manufacturer, spoke about the “ease of use” problem in his industry. Fuhlbrugge said he’s tired of seeing audio and visual techs setting up for performances and running into difficulties getting disparate systems to function together. “To be able to get all the individual manufacturers together and get some good standards that aren’t 50 or 80 years old, but more in today’s technology,” he said, “would be a huge benefit.”
Harnessing IP in an MP3 World

There's more music — and more piracy — than ever before

MUSIC STAR KID ROCK APPEARS ON A SCREEN, smiling, with a message for the kids illegally downloading songs: Why not steal everything you want? “If you need an MP3 player or a computer, go in there, get a lap top, grab it and run,” he says with a laugh and a shrug. “Bill Gates and Steve Jobs? They’re billionaires! They’re not going to miss a couple of iPods or laptops!”

Is he serious? Ironic? No matter — one of his points, at least, is well taken. While the Internet has done wonders to efficiently deliver the music industry’s product to its customers, it lacks a fail-proof mechanism to ensure payment for merchandise that costs a lot to create. That was the consensus among the panelists, whose conversation focused on both the opportunities that digital forms of distribution created and the global piracy issue that’s crippling the creation of new music as well as industry job growth.

“Things cannot be for free,” said John Kennedy, whose recording industry organization represents 1,400 record companies. “It just does not work.” He pointed out that music is the most popular product in the consumer world. Piped into elevators, heard over headphones, in cars, bars and nightclubs, it’s one of the few products that can be bought and still used 10 years later. “There is more music being consumed now than ever before,” he said.

Yet while customers value recorded notes and lyrics, piracy rates are soaring. “More music is being stolen than is being paid for,” he continued. Consumers know very well that what they’re doing is wrong too: “When we ask why they keep doing it,” he said, “they respond, ‘Because you don’t stop us.’”

The first steps in curbing intellectual property theft involve implementing available filtering technologies that identify copy-}

righted material, said Eric Baptiste of the International Confederation of Societies of Authors and Composers, which represents 2.5 million creators and publishers. But installing the technology and penalizing offenders requires help from Internet service providers and national authorities.

In some parts of the world, Baptiste said, more basic priorities have taken center stage. Of greater concern is that leaders in large, industrialized countries have yet to pay attention.

In China, for instance, where the economy has been thriving over the past decade, the copyright offenses are enormous, said John Echevarria. There, officials freely distribute songs and other works of intellectual property, claiming they’re government-owned. “It’s shocking,” he said.

Even in the United States, he noted, hired lobbyists have influenced politicians to vote against intellectual property rights. “They’re lobbying on behalf of industries making a lot of money by letting the music go through their pipes,” he said.

Jorge Mejia likened the evolution of law enforcement in the intellectual property realm to that of the Wild West, where people started off shooting each other for horses and land. Eventually, laws were crafted and police forces were formed to enforce them. “I believe firmly,” he said, “that in a couple of years we will have the biggest music industry ever.”

“Things cannot be for free. It just does not work.”

— JOHN KENNEDY

In some parts of the world, Baptiste said, more basic priorities have taken center stage. Of greater concern is that leaders in large, industrialized countries have yet to pay attention.

In China, for instance, where the economy has been thriving over the past decade, the copyright offenses are enormous, said John Echevarria. There, officials freely distribute songs and other works of intellectual property, claiming they’re government-owned. “It’s shocking,” he said.

Even in the United States, he noted, hired lobbyists have influenced politicians to vote against intellectual property rights. “They’re lobbying on behalf of industries making a lot of money by letting the music go through their pipes,” he said.

Jorge Mejia likened the evolution of law enforcement in the intellectual property realm to that of the Wild West, where people started off shooting each other for horses and land. Eventually, laws were crafted and police forces were formed to enforce them. “I believe firmly,” he said, “that in a couple of years we will have the biggest music industry ever.”
Arbitrating in the Global Arena

Location may put Miami on the international arbitration map

SOUTH FLORIDA’S LEGAL COMMUNITY WOULD love to make Miami the Geneva of the Western Hemisphere when it comes to international arbitration, but can it get a piece of the international commercial arbitration action?

John Rooney Jr., who has taught International Commercial Arbitration at the University of Miami School of Law, believes that Miami has what it takes to be a center of international arbitration.

“There is an interesting pool of talent that is found here in Miami that is perhaps a little more difficult to find in other areas,” said Rooney, who has worked with the International Chamber of Commerce, the Inter-American Arbitration Commission and similar institutions. “One of the things I notice as a practitioner, and not just in the area of arbitration, is that to practice law in Miami is to have an international preference, and it pretty much cuts across all practice groups.”

While Chicago and New York have their share of international attorneys, “they don’t have the same kind of experience and training [attorneys in Miami have],” Rooney added. “We have a very receptive pool of professionals who are used to dealing with [cross-border issues].”

The UM School of Law is helping advance the region’s international arbitration ambitions. “The University of Miami is unusual as a law school because the number of people who teach international law [at UM] is large and because all of us who teach those subjects also teach domestic law,” said Caroline Bradley.

While the need to arbitrate international business disputes is expected to grow “exponentially” in the coming years, according to the panelists, Jan Paulsson, currently a visiting professor at the University of Miami School of Law, noted that there are significant obstacles to Miami realizing a starring role in this field. For one, its location within the United States, a powerhouse of international trade, makes it less likely to be selected by a foreign entity seeking to resolve a dispute with an American company.

“If an American party is involved as a contracting partner, all things being equal, the arbitration is not going to be in the United States because that is not even-handed,” Paulsson explained. “Parties are looking for something neutral; they are looking for something neutral in every way they can find — law, rules, language of arbitration, etc.”

On the other hand, Miami does offer some significant incentives when at least one party is from the Western Hemisphere, Paulsson said.

“In the United States, Miami has a bit of a particular position because of its cosmopolitan nature ... in terms of its geographical location, because of its culture, because of its various nationalities of people who live here,” he said. “It seems that every Latin American has two capital cities — one is the original one and the other is Miami.... They have residences in both places and they feel quite at home [in Miami].”

Although traditionally resistant to international arbitration, Latin American companies and governments have been warming up to the process over the past couple of decades and have an increasing number of attorneys adept at international law. “Now it is a game they know how to participate in,” Paulsson said.

“To practice law in Miami is to have an international preference.” — JOHN ROONEY JR.

SOUTH FLORIDA’S LEGAL COMMUNITY WOULD love to make Miami the Geneva of the Western Hemisphere when it comes to international arbitration, but can it get a piece of the international commercial arbitration action?

John Rooney Jr., who has taught International Commercial Arbitration at the University of Miami School of Law, believes that Miami has what it takes to be a center of international arbitration.

“There is an interesting pool of talent that is found here in Miami that is perhaps a little more difficult to find in other areas,” said Rooney, who has worked with the International Chamber of Commerce, the Inter-American Arbitration Commission and similar institutions. “One of the things I notice as a practitioner, and not just in the area of arbitration, is that to practice law in Miami is to have an international preference, and it pretty much cuts across all practice groups.”

While Chicago and New York have their share of international attorneys, “they don’t have the same kind of experience and training [attorneys in Miami have],” Rooney added. “We have a very receptive pool of professionals who are used to dealing with [cross-border issues].”

The UM School of Law is helping advance the region’s international arbitration ambitions. “The University of Miami is unusual as a law school because the number of people who teach international law [at UM] is large and because all of us who teach those subjects also teach domestic law,” said Caroline Bradley.

While the need to arbitrate international business disputes is expected to grow “exponentially” in the coming years, according to the panelists, Jan Paulsson, currently a visiting professor at the University of Miami School of Law, noted that there are significant obstacles to Miami realizing a starring role in this field. For one, its location within the United States, a powerhouse of international trade, makes it less likely to be selected by a foreign entity seeking to resolve a dispute with an American company.

“If an American party is involved as a contracting partner, all things being equal, the arbitration is not going to be in the United States because that is not even-handed,” Paulsson explained. “Parties are looking for something neutral; they are looking for something neutral in every way they can find — law, rules, language of arbitration, etc.”

On the other hand, Miami does offer some significant incentives when at least one party is from the Western Hemisphere, Paulsson said.

“In the United States, Miami has a bit of a particular position because of its cosmopolitan nature ... in terms of its geographical location, because of its culture, because of its various nationalities of people who live here,” he said. “It seems that every Latin American has two capital cities — one is the original one and the other is Miami.... They have residences in both places and they feel quite at home [in Miami].”

Although traditionally resistant to international arbitration, Latin American companies and governments have been warming up to the process over the past couple of decades and have an increasing number of attorneys adept at international law. “Now it is a game they know how to participate in,” Paulsson said.

“To practice law in Miami is to have an international preference.” — JOHN ROONEY JR.
Entrepreneurs Making an Impact

The demands of the global economy may inspire new ideas

While an increasingly connected world helps businesses tap into global supply chains and approach new customers, aspiring entrepreneurs worldwide are often hampered by their own government’s regulations and, in many cases, cultural stigmas.

Despite the challenges, entrepreneurs everywhere are making an impact, boosting growth and helping to alleviate poverty, according to the three experts leading the panel discussion on entrepreneurship.

Members of the “new media” generation — who have more in common with their peers in other countries than the elders of its own — have the potential to drive economic growth rates around the world, said Jonathan Ortmans, whose institute has embarked on a five-year project to preach the benefits of entrepreneurship to policymakers.

“They don’t have a stake in the status quo. They have no problem flipping the status quo on its ear. They wonder why, not how and where, and thrive on challenging innovation,” Ortmans said. “We are all better off because of it.”

But the panelists noted that many would-be entrepreneurs are stymied by government regulations, or the lack thereof.

The United States has the most welcoming web of regulations for entrepreneurs, said Randy Mitchell, which is what makes the American sector so robust. However, when other countries pick and choose which rules to enact, instead of replicating the U.S. model, entrepreneurship suffers. “A weak link causes the whole system to be weak,” he said.

Many countries don’t have bankruptcy laws, exposing entrepreneurs to financial devastation if their business fails. In the countries of northern Europe, for example, the well-intentioned social safety net actually discourages entrepreneurship. To start a business in Norway, the owner must remove himself from the social service net. If the business fails, the owner doesn’t get unemployment benefits, Mitchell explained.

The United States is one of the rare places where “smart investors” see failures as an asset, Ortmans said. But some cultures are more open to risk than others. Argentina ranks highest on the Latin American Venture Capital Association’s meter for entrepreneurship, noted Cate Ambrose, due in part to its strong educational system and its own recent economic crisis.

“If you’re living in an environment that is fairly volatile and don’t know if a financial crisis is around the corner, you’re much more resourceful and innovative.”

— CATE AMBROSE

“If you’re living in an environment that is fairly volatile and don’t know if a financial crisis is around the corner, you’re much more resourceful and innovative.”

— CATE AMBROSE
MEDICAL DISCOVERIES CAN SAVE LIVES, BUT they come at a price.

“It costs a tremendous amount [of money] to bring drugs to market,” said Bart Chernow, vice provost for technology advancement, professor of medicine and vice president for special programs and resource strategy at the University of Miami Miller School of Medicine, estimating a price tag of between $800 million and $1.2 billion for each new drug. “For medical devices, it costs far less, but is still expensive.”

The challenges of making new medicines and treatments available to the public was the subject of the panel discussion.

To effectively develop and sell new products in the marketplace, Chernow said, medical researchers and universities need to forge ties with industry. With this in mind, it’s important for medical scientists to think like entrepreneurial innovators. “Innovation is absolutely the key to providing the best in health care,” Chernow said. “Thomas Edison once said, ‘I never perfected an invention that I do not think about in terms of the service it may give to others. I find out what the world needs and I proceed to invent it.’”

Richard Cote, professor of pathology at the University of Southern California, believes he has found one such invention: a filter, developed through nanotechnology, that can detect minute traces of cancer tumor cells circulating in the bloodstream.

“If a tumor cell is in a sample of blood,” he said, “we are likely to capture it.”

Cote, formerly director of the Biomedical Nanosciences Initiative at USC, explained that even proven treatments are often ineffective in dealing with cancer. “Our best drugs in breast cancer, for example, work only about 30 percent of the time now,” he said. “So we are treating our patients with drugs that are not only expensive and have side effects, but are not working.”

Cote expects the FDA to approve his team’s nano-filter technology soon. A $30 million grant helped them get this far. But just because a medical discovery is groundbreaking doesn’t necessarily mean hospitals and doctors will buy it.

“It is one thing to make discoveries, but it is a completely different thing to disseminate those ideas,” Cote said.

In order to get these discoveries to the public, the University of Miami has created what Chernow called “UM innovation to help foster technology advancement.”

“Why should institutions like the University of Miami commercialize products?” he asked rhetorically. “First, to bring discoveries to the patient to relieve suffering. Making a discovery by itself is nice and it goes on your résumé, but making it into a product helps people.”

Medical innovation, though, is a risky business. A discovery might seem like a good idea but, after years of testing and heightened expectations, turn out to be a dead end. Medical innovators, warned Chernow, should “never fall in love with an idea.”
IN 2003, THE UNITED NATIONS ESTIMATED that 194 million people worldwide had diabetes, a chronic disease caused by abnormally high levels of glucose in the bloodstream. By 2008, that figure had increased by 28 percent to 246 million, with one person dying of diabetes every 10 seconds. “It is the fourth-largest main cause of premature death,” said Jay Skyler, who noted that while diabetes is spreading rapidly throughout the world, the rate of increase in the United States is staggering.

Finding new ways to treat diabetes and other diseases, and exploring how such breakthroughs can benefit the economy were among the topics discussed by Skyler and fellow panelist Bart Chernow. Chernow pointed out that improving health care is not only morally right but financially savvy. “Why is health care so important to business?” he asked. “The answer is that it affects everyone in this room. All of us are affected by health care, whether it is for yourself or members of your family.”

Diabetes represents one of the nation’s greatest health care challenges. Roughly 24 million Americans — 8 percent of the U.S. population — have the disease. That figure, Skyler noted, is growing by a million each year, costing approximately one out of every five U.S. health care dollars. “The American Diabetes Association says someone is diagnosed with diabetes every 21 seconds,” he said. The leading cause of adult blindness, kidney failure, and amputations in this country, diabetes can also lead to heart disease, stroke, pregnancy complications, and death from flu and pneumonia.

What’s more, “the economic cost in the United States in 2007 is estimated to be $174 billion,” Skyler said. “Sixteen percent of that is direct diabetes treatment, and 33 percent is treatment of complications.”

Obesity, like diabetes, has increased dramatically in the U.S., particularly in the past 13 years. For Skyler, obesity and diabetes together are among “the biggest public health problems facing the world today” — what he calls “a potential global catastrophe.” He added that advances in biotechnology and medicine “have the potential to alter the treatment of some of these individuals.”

“Why is health care so important? The answer is that it affects everyone in this room. All of us are affected by health care, whether it is for yourself or members of your family.”

— BART CHERNOW

Chernow observed that more must be done to prevent conditions like obesity and diabetes, rather than simply treating them.

Skyler noted that biotechnology and medicine can be an economic generator for the U.S. He is optimistic that the Obama administration will invest more in science, medicine and biotechnology, not only for the health of the world, but for the country’s fiscal well being. “That,” he said, “is a future economic driver.”
WOULDN’T IT BE NICE TO KNOW WHETHER a diet rich in steak and buttery dishes, punctuated with a nice fat cigar every night, would really kill you or your loved ones before your allotted time? Or whether a particular combination of genes makes you especially vulnerable to, say, diabetes? In the future ordinary individuals could buy maps of their own DNA that indicate their susceptibility to chronic diseases. Then, with the help of doctors, they could take measures to avoid getting chronically sick.

That was one of the heartening expectations from two of the world’s leading geneticists, Pascal Goldschmidt and Jeffery Vance, both affiliated with the University of Miami’s Miller School of Medicine. Geneticists used to think that the upper end of the human lifespan was genetically limited to 120 years. The latest genetic research indicates it’s about 150 years, according to Goldschmidt. But most people still don’t get much past 70. Why? It’s in the genes.

“All of these illnesses have a genetic background, that is, something in the gene pool that predisposes an individual to develop a chronic illness.”

The purpose of genomic medicine, Vance explained, “is to try to prevent disorders from occurring.” When they do occur, an individual’s genetic information will help doctors individualize treatment and avoid unnecessary, time-consuming tests and diagnoses. “One of the great pie-in-the-sky goals of genomic medicine is pharmacogenetics — the right medicine for the right patient,” he added. “A large percentage of drugs don’t work for everyone.”

There are two forms of disease genes, Vance continued. One, which he said comes from “old genetics,” is the idea that a single gene causes a disease, such as cystic fibrosis or sickle-cell anemia. The other, from “new genetics,” is what he called a “susceptibility gene.” Such genes make an individual more susceptible to a disease but don’t cause it directly. Certain combinations of these genes cause certain diseases.

Two years ago an individual DNA sequencing cost $1 million; today it’s about $100,000. “What this means is there’s a big goal and a prize for the thousand-dollar genome, and it’s probably going to come in the next five years,” Vance predicted.

Of course, there will always be folks who want to remain ignorant of susceptibility genes, but Vance and Goldschmidt expressed concern that doctors are among the worst offenders on this score. “One of our big challenges is that physicians have little genetic knowledge,” Vance observed. Moreover, many doctors are averse to learning about genomics, fearing it could become another source of malpractice lawsuits.
MEDICAL TOURISM AND OTHER WAYS OF coping with rising health care costs around the world dominated the discussion by health care experts who gathered for this panel session.

Insurance executive Martha Temple told the audience that chronic disease is on the rise not only in the United States and Europe but also in emerging countries such as China and India, largely because their populations are living longer than ever before. The problem in those and other developing countries is compounded because they lack a comprehensive health care infrastructure. “The biggest worry of some of those governments is how they’re going to get people to health care,” Temple said.

Population increases are also at the root of a crisis affecting publicly funded health care systems in European countries, especially the big ones. For example, 17 percent of Russia’s 150 million people are over 60, Temple noted. A lot of Germans seek health care outside of Germany because of long waits to receive services.

The percentage of GDP spent on health care has risen in almost every country in recent years as well, Temple said. The U.S. government pays for slightly less than half of total health care costs, while in Europe tax dollars fund more than half — and in some cases much more. Some European countries have started to impose more out-of-pocket payments on their citizens in an effort to get health care spending under better control.

The increase in health care costs overseas has started cutting into the profit margins of multinational corporations with operations abroad, according to insurance broker Chris Burns. He said companies can reduce their health care expenditures abroad by using wellness centers, health risk assessments and employee assistance programs (for example, those that provide psychological and substance abuse counseling). He also recommended profit-sharing arrangements with any of the nine health insurance companies that operate globally. Belgium, Brazil, France, Ireland, Mexico and South Korea already require this kind of profit sharing as a way of reducing health care costs.

Hospital executive Allen Brenteson reported a veritable boom in the number of Americans traveling abroad for health care. About 750,000 Americans received medical treatment abroad in 2007, compared to 150,000 in 2006, he said. By 2010, he predicted, 6 million Americans will travel abroad each year for some kind of medical care, mostly to save money. As a result, he believes more U.S. insurance companies will cover medical expenses incurred abroad.

Penny Shaffer of Blue Cross and Blue Shield of Florida, the Forum’s title sponsor, encourages travelers to learn what overseas benefits their insurance policies provide, and to identify the preferred and trusted health care providers in their destinations. Besides one’s insurance company, U.S. embassies are a good source of the latter information, she suggested.  

"The biggest worry of some of those governments is how they’re going to get people to health care.”

— MARTHA TEMPLE

Stemming Health Care Costs
Aging populations and new treatments are creating challenges

WRITTEN BY Kirk Nielsen
FORGING A GLOBAL LEADERSHIP STYLE

Flexible thinking and cultural respect are keys to success

Great business minds do think alike when it comes to the global market. Panelists in this session, despite their varied business and cultural backgrounds, agreed that flexible thinking, continual education, and cultural respect are keys to success in a worldwide market.

“An open mind can open so many doors,” Maria Eugenia Brizuela de Avila told the crowd, which was notably populated by young women.

Although the topics ranged from global business expansion to balancing home and family, one point the speakers continually impressed upon their audience was the need to become comfortable in a global society, a task they saw as starting with language.

“When I was growing up [in Spain] my parents would tell me that if I was not bilingual I would be illiterate in the world I have to live in. Now, I tell my children that if they don’t speak three languages they will be illiterate,” said Rosa Sugrañes. “If you are as comfortable in Kansas City as in Buenos Aires, as in Mumbai, as in Shanghai, then you can do whatever you want.”

“I’m listening a lot to young people and how their minds work. It’s really different. The way they connect to each other and the way they think, it’s amazing,” continued Sugrañes, citing as an example the ease with which younger generations acquire and relay on-the-spot information via cell phones and other digital devices.

Continual adaptation was another theme for the panelists, who advised those working in global markets to tailor everything — eating habits, reading materials — to the specific markets where they work or desire to work. In a global culture, Zayra Calderon said, executives who travel and take an interest in other cultures and business strategies are the ones who will ultimately succeed.

The women’s personal stories revealed a surprising similarity in motivation. Sugrañes took her family business into a new market in the United States, Brizuela de Avila worked her way through a male-centric business world in El Salvador, and Costa Rica native Calderon described herself as an entrepreneur from birth.

Yet all three spoke of the desire for independence as a key factor in their rise to the top.

“I never worried about whether I was going to be rich,” said Calderon. “I knew that if I succeeded, I would be okay financially as well.”

Fielding questions on everything from work/life balance to networking, the women easily shifted to offering business advice. For women in executive roles, said Calderon, it comes back to one word: "Credibility. We have to establish credibility. If you are credible, then they will listen to what you have to say.”

That led the audience to inquire about the panelists’ experiences with discrimination. Whether stemming from gender, culture, or accent, it turned out the speakers all handled their situations in the same way — with humor.

“I think to put humor into it is very important. And to be sure of yourself,” said Sugrañes. “Don’t let anyone take the power from you.”

—I tell my children that if they don’t speak three languages they will be illiterate.”

— ROSA SUGRAÑES
Rethinking the City

Grappling with shifts in real estate and community design

THE FUTURE OF URBAN DEVELOPMENT WAS the intended topic of this panel session, but the global economic downturn inevitably edged its way into the conversation. As moderator Charles Bohl pointed out, “It’s hard to talk about smart growth when there is no growth.”

“Change,” he concluded, “is inevitable. All trends point towards a greater demand for more efficient, compact, urban places with a high quality of life — the types of walkable, mixed-use neighborhoods that have proven to be great places to live in and work in for generations — and making them solid long-term investments. The shift away from the unsustainable, low-density, single-use suburban paradigm and short-term investment cycles is now upon us, and a new paradigm combining livable community design, sustainable development and a long-term investment outlook is on the horizon.”

Adjusting to that change was on everyone’s mind. Developer Stephen Owens described how his company’s old-fashioned corporate ethos served it well in shifting global real estate markets. It pays to be cautious and disciplined, he said, and to avoid plunging into the latest gold rush — like the recent real estate boom in China.

In the end, Owen predicted, U.S. businesses will emerge from this recession “very focused, and very efficient.”

The global economy was also a concern for Carlos Rosso, another developer, who discussed how tight credit conditions in the U.S. have influenced his company’s strategy for growth. With its new international division, the Related Group is turning toward markets in Mexico, Panama and other countries that are not as credit-reliant as the U.S. Here, “the lack of credit is forcing everyone to rethink how they will advance,” Rosso said. The firm has also teamed up with hotel companies to develop resort properties and other products beyond its traditional condominium purview.

“We still see value in Florida real estate,” he added. “It’s just a problem of aligning our interest with the banks’ interest.”

For Professor Jaime Correa, the impact of global change extends beyond the economy, prompting him to take a more visionary approach. In his analysis, the future of urban development — and, he added, society as we know it — will rely on embracing a simple but revolutionary concept: “relocalization and contraction of our resources.” The era of cheap oil is over, Correa said, and with it suburban sprawl and the expansionist economy. He proposed that industry and citizens alike implement what he called “the 40 percent solution:” scaling back consumption by a dramatic 40 percent.

Correa spelled out some of the advantages of abandoning suburbs in favor of more centralized urban areas, including easier work commutes and carless shopping by bicycle or on foot, both of which would reduce fuel use. In this and other ways, he said, society would — and must — become more efficient. “The future,” he said, “is contraction.”

“We still see value in Florida real estate. It’s just a problem of aligning our interest with the banks’ interest.”
— CARLOS ROSSO

Urbanism

Redesigning and Redeveloping the Inconvenient City: The Art, Business and Culture of Sustainable Urbanism

MODERATOR
Charles C. Bohl
Director, Real Estate Development & Urbanism Program
School of Architecture
University of Miami

PANELISTS
Jaime Correa
Professor and Director
Suburb & Town Design Program
School of Architecture
University of Miami

Stephen Owens
President, Swire Properties

Carlos Rosso
Executive Vice President
The Related Group

ORGANIZER
School of Architecture

WRITTEN BY Tristram Korten
To the Last Drop

Increasingly scarce, water may become the source of conflict

Is water a commodity or a basic human right? How will governments handle a growing water crisis in developing countries? Is it ethical to profit by selling water to people who need it? And will conflicts over access to water lead to wars? The makers of the ambitious documentary One Water clearly believed those questions would be relevant in a conference titled “Harnessing the Power of the Connected World,” with panel discussions on the trends and technology propelling global commerce.

Producer, writer, and director Sanjeev Chatterjee, executive director of the Knight Center for International Media at the University of Miami School of Communication, and co-director and editor Ali Habashi, who is with the Arnold Center for Confluent Media Studies at UM’s College of Engineering, screened One Water during the conference. Afterward, a panel discussed the issues brought up by the film.

One Water was shot in 15 countries around the world and is set to a sweeping score performed by the Russian National Orchestra. With only the sparest narration (by UM President Donna E. Shalala), it takes viewers on a visual journey through water use in different cultures and touches on a variety of issues facing the global freshwater supply, including pollution, privatization, and climate change.

The statistics are alarming: 1.5 billion people don’t have access to clean water, and 25 percent of the people in developing nations must purchase their water from private vendors.

Following the screening, John Oldfield of Water Advocates, a nonprofit organization that lobbies for worldwide access to “safe, affordable and sustainable supplies of drinking water and adequate sanitation,” asked why the movie didn’t provide more information about how to help. “I’m sitting on the edge of my seat,” he said. “What do I do? What are my options?” Oldfield added that with 50 percent of the world’s hospital beds occupied by people suffering from water-borne diseases, the urgency is real. (The documentary’s Web site, www.onewaterthemovie.org, provides much of that information.)

Rich Beckman, a photojournalist who has reported extensively from Africa, lamented the media’s inability to discern big environmental stories within everyday coverage of events like the war in Gaza. “Maybe we’re not doing our job properly,” he said. Carl Ganter, whose organization does its own reporting as well as linking to water stories from other sources, explained how difficult it is to battle for people’s attention in a world where media engines are disproportionately focused on celebrity and entertainment news. “Why is it the big stories that could affect mankind [get the least coverage]?” Dean Sam Grogg wondered.

But that may be changing. All of the panelists agreed that new technologies, such as cell phones and Twitter, are making the dissemination of information much faster and far-reaching in both the developed and developing worlds, and would ultimately raise both public awareness and interest in this and similar issues.

“Why is it the big stories that could affect mankind [get the least coverage]?”

— SAM GROGG
Global Player on a Local Stage

Amidst South Florida’s human “mosaic,” a proposal to revamp health care

Penny Shaffer’s background is atypical for a top-level executive at a major provider company — it’s not in health care. Instead, Shaffer joined Blue Cross and Blue Shield of Florida in 2006 after 26 years with AT&T, most recently as vice president of global services for the Americas. But what she did bring to her new position were solid credentials in thought leadership and international business — two critical strengths at a time when the U.S. health care system may undergo a major overhaul and in a market where almost everyone is from somewhere else. We asked Shaffer how the expansive issues discussed at the Global Business Forum fit with her strategy for South Florida and what she thinks should be done to reduce health care costs.

You spent most of your career working in international telecommunications. What brought you to health care?

South Florida is truly a “mosaic,” and industry leaders such as Blue Cross and Blue Shield of Florida understand that hiring employees who understand multiple cultures makes tremendous sense. The fact that BCBSF is a not-for-profit with a mission to provide access to health care for all Floridians affords me the unique opportunity to impact many people.

Sponsor Profile

Health Care

Penny Shaffer
Market President, South Florida Blue Cross and Blue Shield of Florida

What was the thinking behind your sponsorship of the Global Business Forum?

I have every confidence in the university’s vision that the School of Business Administration will become to health management what Wharton is to finance. Naturally, as a leader in the health care field, Blue Cross and Blue Shield wants to be associated with a leading institution in health care management.

Our staggering health care costs make the U.S. less competitive globally. What is the solution?

Our country is based on an amazing pioneering spirit — we exhaust all means to achieve our goals. The problem with applying that to health care is that the model ignores evidence-based medicine [the use of current best medical evidence in making decisions about the care of individual patients]. The United States spends more on health care as a percentage of GDP than any other country in the world, and with questionable results. Until we embrace evidence-based practices and standards, our spending will continue to skyrocket.

If you could make one change in the health care system, what would it be?

If we could educate physicians and then allow them to follow current evidence-based courses of care without fear of malpractice litigation, and also convince Americans that quite often exhausting every measure doesn’t make sense, then we could certainly increase health care access and decrease health care costs.

“Until we embrace evidence-based practices and standards, our spending will continue to skyrocket.”
Making Connections

The Global Business Forum brought senior leaders together from around the world

Speaker Frances Aldrich Sevilla-Sacasa (AB ’77); Tere Blanca (BBA ’82, MBA ’83), Blanca Commercial Real Estate.

UM Trustee Robert Rubin (JD ’84), Topp Group.

Dean Myers (BBA ’80, MBA ’81), Coca-Cola; Vice Dean Arun Sharma.

Vice Dean Anuj Mehrotra, speaker Arun Sarin, Professor Dhananjay Nanda.

Dean Barbara Kahn, Suzy Welch, speaker Jack Welch, UM President Donna E. Shalala.

Marcelo Alvarez (BBA ’62, MBA ’65), EFG Capital; George Corton, School of Business.
UM Trustee
Patrick Barron (BBA ’75), Federal Reserve Bank of Atlanta; panelist Rosa Sugrañes, Iberia Tiles.

UM President Donna E. Shalala; Scott Long (MBA ’07), AuthenTec.

Panelist Penny Shaffer, Blue Cross and Blue Shield of Florida (Forum title sponsor); Brian Mormile (BBA ’88), Jeff, and Gene Schaefer (BBA ’88), U.S. Trust, Bank of America Private Wealth Management (Forum sponsor).

Alberto Dosal, Compuquip Technologies; panelist Juan Cento, FedEx Express (Forum sponsor).

Dean Barbara Kahn; Harvey Wagner (BBA ’63), Caregiver Services.

Speaker Frances Aldrich Sevilla-Sacasa (AB ’77); Alberto Manrara (MBA ’03), TotalBank (Forum sponsor).
Miami TradeNumbers provides complete import and export data for the South Florida's leading trade partners, as well as analysis of major economic and political trends that are impacting bilateral trade with these markets.

Distribution

Miami TradeNumbers is hand-delivered to more than 1,300 multinational and international businesses in the South Florida market, usually in packages of five. In addition, the publication is distributed to incoming and outgoing trade missions, through WorldCity's partnership with the Miami-Dade County International Trade Consortium. Total press run is 10,000.

Net Advertising Rates 1X

- Back Cover $6,325
- Inside Front, Back Covers $4,875
- Full Page $3,675

Special Position: 10 percent

Press Run: 10,000

Full Page

Trim size: 8.375" x 10.875"

Bleed: 8.875" x 11.375"

Live Area: 7.5" x 10.25"

- Title Sponsor
  - BlueCross BlueShield of Florida
    - An Independent Licensee of the Blue Cross and Blue Shield Association

- Presenting Sponsor
  - John S. and James L. Knight Foundation
    - www.knightfoundation.org

- Sponsor
  - Bank of America
  - U.S. Trust
    - Bank of America Private Wealth Management
  - FedEx Express
  - Blackline Systems
  - Blackline Systems
  - University of Miami
    - Citizens Board
  - The Miami Herald
    - MiamiHerald.com
  - Poder
  - World City
  - The Jeffrey Group
    - Integrated Communications
It’s All About Relationships

Ziff Center Director Alexander Pons says opportunities still exist — even in the down economy

By Susan Delson

For MBA students, says Alexander Pons, early spring is “when the rubber meets the road.” As director of the School’s Ziff Graduate Career Services Center, he knows that March and April are the crunch period when internships are firmed up and careers launched. He’s passionate about making the Ziff Center a top-tier career springboard — and making sure alumni are part of the process.

Not many of Pons’ colleagues know the university as well as he does. A UM graduate, he went on to earn a PhD in electrical and computer engineering here, then became an associate professor in the Computer Information Systems Department; during his career he has received several teaching awards. Business Miami spoke with him about the Ziff Center, his plans for its future and how students can get maximum benefit from it, especially in a challenging job market.

You’ve been director of the Ziff Center since April 2008. What changes have you made, and what are you planning for the future?

We’ve developed a three-part strategy. First, we’re working to produce what I’d call a highly competitive product. Our students are way beyond competing on a local level. They’re competing against students from top-tier universities around the world. Even if they stay in South Florida, they want to work for global companies. So we need to make sure they’re competitive on that level.

Second, we’re looking to actively partner with the businesses our students want to work for. We’ve identified certain companies in the area and nationally for internships and full-time employment that are good brand names for students’ résumés. We want companies like these as our partners, to see our students before anyone else does.

Third, and most important, we have well-positioned alumni who are willing to help their fellow ‘Canes. We’re reaching out to that network for assistance with internships and full-time positions, and we’re working closely with the development team, which is visiting cities across the nation to engage alumni more actively. Locally, we’ve been hosting alumni receptions with Dean Kahn. They’re productive, relaxed interactions, very informal. And we’re reaching out more to alums nationally and internationally, getting feedback on their current status and finding out if they can help place our students.

As they advance through the curriculum, our students acquire a solid knowledge base and expertise in their fields. The Ziff Center’s role is to make sure they also have the soft skills — interviewing, networking, etiquette — to win the job. These soft skills are always important, but especially in today’s highly competitive job market,
where companies have a greater pool of applicants to choose from.

**How does that work, day-to-day?**

By the time a student arrives on campus, we’ve created a profile for him or her. We’ve asked for a résumé and an online interview, and we’ve assessed his or her professional objectives. Once he or she is here, we offer one-on-one sessions with career counselors, résumé critiques and mock interviews, which we record on video. This year we reorganized our workshops and seminars, classifying them as mandatory, highly recommended or optional. A workshop in salary negotiation, for instance, would be highly recommended, a networking workshop would be mandatory, and business etiquette would be optional.

When you have a technology degree, as I do, you tend to be analytical. You want measurable results. We can record how many students have gone through these programs, then see how successful they’ve been in getting jobs. We can correlate the data and come up with a measurable indicator of what’s working and what isn’t.

**How bad a monkey wrench has the economy thrown into the works?**

Obviously, it’s a problem. But from the start I have taken a very proactive approach to our goals and strategies. We have been very aggressive in establishing strong relationships and working with our students. What we are doing differently is consolidating our efforts locally, engaging faculty for opportunities that they come across, and working with our alumni more than ever through direct calls, events and personal engagements.

Before the downturn, we had a program of taking some of our strongest students on the road, connecting with alumni, targeting key companies and letting them see what UM MBAs have to offer. I insisted that every company the second-year students visited be in a position to hire. Our first trip was to New York last October. We went up with 10 second-year students, and even in this economy, we got one of them hired.

**What’s in the five-year plan?**

Definitely to support the School of Business Administration in achieving higher visibility around the world. One of our primary goals is to improve our rankings. Making sure our students are placed in the right positions will be a big help in achieving that goal.

For an MBA student, the internship sets the tone for what they’ll be doing full time. I’d like to be able to look at incoming first-year students and their intended areas of specialization. Say 30 percent of them want to go into marketing, 60 percent into finance. The internships for that year should reflect those preferences. Ideally, we’d like more internships than students too. I’d like to have enough internships, early enough, so students can choose where they’d like to go.

For that, we need to build those long-term partnerships. It’s all about relationships — with the students, with alumni, with companies and with recruiters. The students need to know that we are a student-centric service. The recruiters need to know that we have the kind of students they’re interested in. And the companies have to feel that they can work with us intimately, that we’re flexible and can respond to their needs. Hopefully, the partnerships we’re developing now will yield great internships and jobs for our students.

For more information on how you can provide internships or jobs for our graduate students, contact Alexander Pons at apons@miami.edu or 305-284-6710.

**CREATING A GLOBAL NETWORK**

“We are an international university,” says Alexander Pons. “What distinguishes UM from a small regional institution are the opportunities we can offer our students on a global scale. Many students come here because they want the chance to explore international business in Latin America, in Europe and in Asia.”

And that, he says, includes international work experiences. Pons is setting up the first in a projected network of international internships with a development company in Bogotá, Colombia, that is developing an entirely new city — “putting in roads, hospitals, everything. Two of our students will be interning there this summer in real estate, and we’re hoping to place a third in marketing.”

Pons is also evaluating other Latin American countries for potential internship placements. He lauds Dean Kahn’s initiatives in the international arena, particularly her visits to Britain and Spain last fall, and he plans to pursue contacts made in those countries to develop additional internship and employment opportunities for the School’s MBA students.

— S.D.
JOSEPH JOHNSON, ASSISTANT PROFESSOR of marketing, has been selected as a recipient of the 2009 Marketing Science Institute/H. Paul Root Award for his article “Drivers of Success for Market Entry into China and India,” published in the *Journal of Marketing’s* May 2008 issue.

The prestigious Root Award, which was presented to Johnson in February, is given by members of the *Journal of Marketing’s* editorial review board to a paper that has made a significant contribution to the advancement of the practice of marketing. (Read more about Johnson’s research on page 51.)

Several members of the School of Business Administration’s faculty have received significant awards for their outstanding classroom or scholarly performance.

The University of Miami Faculty Senate has selected Anita Cava, associate professor of business law, as the recipient of its 2009 Outstanding Teaching Award. The Faculty Senate voted unanimously in November to present the award to Cava, who is also co-director of UM Ethics Programs and director of the Business Ethics Program. This is the first time a professor from the School of Business has received the award, which was established in 2002.

“This is truly a remarkable achievement,” says Rene Sacasas, chair of the Department of Business Law. “Those of us who have had the pleasure of working with Anita over the last 22 years have always known what the Faculty Senate has formally recognized — that Anita is an extraordinary and gifted teacher.”

The Faculty Senate also selected Yadong Luo, Emery M. Findley Jr. Distinguished Chair, and chair and professor of management, as the recipient of this year’s Distinguished Faculty Scholar Award. The award was created on the 25th anniversary of the Faculty Charter to recognize outstanding contributions to scholarship by individual faculty members.

“Yadong has emerged as the world’s top research scholar in international management,” says Dean Barbara E. Kahn. “His publication record includes 16 scholarly books and more than 100 articles in major refereed business journals. We are proud to have such a world-renowned scholar on our faculty.”

Other faculty members received teaching excellence awards from the students in graduating MBA program classes (identified by the program’s starting date) during the Fall 2008 Graduate Programs Award Ceremony, held December 16.

- Full-Time MBA Program — Required Courses, Karen Turner, lecturer, business law.
- Full-Time MBA Program — Elective Courses, Howard Gitlow, professor, management science.
- MBA for Working Professionals (July 2006), Ram Krishnan, professor, marketing.
- MBA for Working Professionals (January 2007), Arun Sharma, chair and professor, marketing.
- EMBA — Health Sector Management and Policy (2007), Steven Ullman, professor and director, Programs in Health Sector Management and Policy.
- EMBA — Management (2007), Linda Neider, vice dean, Undergraduate Business Programs, and professor, management.
- EMBA — International Business (2007), Anuj Mehrutra, vice dean, Graduate Business Programs, and professor, management science.
Andrew Leone, chair and professor of accounting, has been named an associate editor of the *Journal of Accounting and Economics*. Leone will serve a term of three years. He joined the School of Business Administration in 2008 from Penn State’s Smeal College of Business, where he was an associate professor of accounting. Prior to that, he was an instructor at the University of Southern California. His research interests are trust repair, fairness, interpersonal relationships and leadership.

Cecily Cooper, assistant professor of management, was invited to serve on the editorial review board of *Academy of Management Review*. Her term has already begun and will run through July 2011. She joined the School of Business in 2003 from Southern Methodist University, where she was a visiting assistant professor. Previously she was an instructor at the University of Southern California. Her research interests are trust repair, fairness, interpersonal relationships and leadership.

Cooper received this honor because of her past contribution of consistently high-quality reviews to *AMR*. The mission of the *Academy of Management Review* is to publish theoretical insights that advance the understanding of management and organizations.

In inviting Leone to join the editorial board, the journal’s editors noted his “conscientious and thorough referee reports” as a demonstration of his qualifications. The *Journal of Accounting and Economics* encourages the application of economic theory to the explanation of accounting phenomena, and provides a forum for publishing the highest-quality manuscripts to utilize economic analyses of accounting problems.

Cecily Cooper, assistant professor of management, was invited to serve on the editorial review board of *Academy of Management Review*. Her term has already begun and will run through July 2011. She joined the School of Business in 2003 from Southern Methodist University, where she was a visiting assistant professor. Previously she was an instructor at the University of Southern California. Her research interests are trust repair, fairness, interpersonal relationships and leadership.

Cooper received this honor because of her past contribution of consistently high-quality reviews to *AMR*. The mission of the *Academy of Management Review* is to publish theoretical insights that advance the understanding of management and organizations.

Hard Times The Right Time to Invest in Customer Service

What is one of the worst things a company can do during the economic downturn? Cut back on customer service. In fact, now is the best time to invest in customer service to gain market share as competitors scale back.

That was what **A. Parasuraman** advised the audience of high-level executives in New Delhi, India, January 6 during a daylong conference titled “Strategies to Create Value in Hard Times.” Parasuraman, vice dean of faculty and James W. McLamore Chair in marketing, is considered one of the world’s leading experts in service marketing. He told conference attendees that a focus on service will be repaid by an increase in brand reputation and customer loyalty when the economy turns around. Parasuraman also addressed questions such as:

- How do you unlock hidden value in your company and create value for your customers?
- What customer-service initiatives can turn into win-win propositions for your company and its customers?
- What are the ingredients of customer-delight strategies that are actionable?

Parasuraman discussed best practices for excelling through superior service, as well, using as illustrative cases companies such as Amazon.com, The Container Store, FedEx, IBM, Ritz-Carlton, Singapore Airlines, Southwest Airlines and USAA.
NDIA AND CHINA ARE THE WORLD’S fastest-growing markets and the most attractive to multinational investors. Yet there has been a dearth of research on what factors lead to business success there.

That has changed with a new study by Assistant Professor of Marketing Joseph Johnson and Gerard J. Tellis, professor of marketing at the University of Southern California’s Marshall School of Business. And some of their findings are counterintuitive — in particular, that smaller firms are more successful than larger firms, and that the more open the market, the lower the chance of success.

“Smaller companies succeed for a variety of reasons,” Johnson says. “First, they can move much more quickly, and they respond more quickly to changes. Remember, these are rapidly evolving markets. Every day there are changes in terms of regulations and competition.”

Just as important, smaller companies typically have a significant cost advantage. “Large companies have costly entry strategies. They send over expatriates instead of using local talent,” Johnson explains. Smaller firms often localize quickly because, given their limited resources, it is their only option.

Perhaps most surprising, smaller companies often outcompete larger ones because they need a smaller market to succeed. “We think of India and China as big markets,” Johnson says, “but the middle class is comparatively small. In India, it isn’t 1 billion people; it’s 150 million. And you’re not entering all of India or all of China. You’re entering markets city by city.”

As India and China liberalize, they’re attracting competition from around the world. “There is fierce internal competition, especially in India,” Johnson notes. “When the market first opened up, domestic companies were scared. But they got their act together quickly and now they make it very difficult for new entrants.”

What’s more, today there are five or six multinationals slugging it out in almost every product category. And that points to another of Johnson’s findings: The earlier a company enters an emerging market, the greater the chance of success. “You shouldn’t think you can wait and let other companies make the mistakes,” he advises. Early entrants can “grow with the market. There’s a lot of learning to be done … and relationships to establish with government bureaucrats.”

In general, companies have greater success in China than in India. “In India the domestic firms are fierce competitors, and the infrastructure is terrible compared to China’s, and the bureaucracy drags its feet,” Johnson says. In addition, China started opening its markets in 1978, more than a decade before India did. “So [the Chinese] know what ‘freebies’ to give investors to attract them,” he says.

What’s more, in China growth is driven more by foreign direct investment, whereas in India growth depends on domestic savings. “We think of the Chinese as being big savers, which is true by many measures,” Johnson concludes. “But if you look at percentage of GDP invested, India is more internally funded.”

— Eric Schoeniger
New Methods for New Markets

Emerging economics present an array of challenges to small businesses and multinationals alike

YADONG LUO — EMERY M. FINDLEY JR. DISTINGUISHED CHAIR, CHAIR OF THE MANAGEMENT DEPARTMENT AND PROFESSOR OF MANAGEMENT — IS THE MOST PROLIFIC AUTHOR IN LEADING INTERNATIONAL BUSINESS JOURNALS, ACCORDING TO A REPORT IN THE ASIA PACIFIC JOURNAL OF MANAGEMENT. HIS EXTENSIVE RESEARCH HAS GIVEN HIM VALUABLE INSIGHTS INTO DIFFERENT APPROACHES AND Viable STRATEGIES THAT ARE NEEDED WHEN A COMPANY FROM THE DEVELOPED WORLD BEGINS DOING BUSINESS IN EMERGING ECONOMIES.

CULTURE IN GLOBAL BUSINESS. It’s well understood that cultural differences have a significant impact on global strategies, trust building, negotiations, joint venture management and the like. But major emerging markets, such as Brazil, Russia, India and China (or “BRIC”), present additional challenges because there are regional differences within each country and a greater diversity of local organizations, whether companies or governments, with which a foreign firm must interact.

Luo suggests that the best way to approach this is through the concept of “acculturation,” requiring effective cultural adjustment and adaptation at the organizational, team and individual levels to a specific setting. Companies like Toshiba and Siemens have taken steps to improve cultural learning ability, including a well-designed process for making implicit knowledge explicit, understanding why each culture does things the way it does, agreeing which approach will lead to desired outcomes in specific cultural encounters, and reviewing the outcomes and modifying the approach to fit both cultures better.

INTERNATIONALIZATION OF EMERGING-MARKET COMPANIES. “Emerging-market multinationals often have different motives, trajectories and behaviors compared to their Western counterparts,” Luo says. “They employ more risk-taking steps, such as mergers and acquisitions, and use international expansion as a springboard to acquire the key assets they need, including brands, technologies and distribution channels.”

They’re also beginning to outcompete their Western rivals — in part, Luo believes, because they’re learning-driven and organizationally ambidextrous. “They have a huge desire to acquire knowledge from partners and competitors and utilize both transactional and relational capabilities (co-competence) as they navigate and operate internationally,” he explains. Even more significant, “these companies are more capable of dealing with some institutional, regulatory and cultural hardships, and better prepared in terms of their organizational and employee commitment to work in hard environments like Africa,” he says.

“CO-OPETITION” IN GLOBAL BUSINESS. As global competition is shifting to co-opetition — simultaneous competition and cooperation between rivals — strategies must change for all multinationals. “Whether you’re in Japan, Europe, India [or] China, you’re facing a growing need to collaborate with your competitors, partners, suppliers and distributors,” Luo observes. “There’s a growing need for interdependence, and there is a higher rate for success based on co-opetition than pure competition.”

Such co-opetition applies to relationship building with foreign governments as well. “We tend to think of the relationship between multinationals and these governments as adversarial,” Luo says. “But you need to build an ethical and collaborative relationship with foreign governments, which still control national resources and influence market parameters. It is not always a zero-sum game between governments and multinationals.”

— Eric Schoeniger
Mauricio Herman, BBA ’49

RETIRRED, STERLING, VA.

WORLD ECONOMIST

As a School of Business undergraduate in the late 1940s, Mauricio Herman discovered the abiding passion for economics that shaped his professional path. A native of Peru, Herman received a scholarship from the Rotary Club of Miami, and in 1949 — because the Peruvian primary and secondary curriculum lasted only 10 years at that time — he became, at 18, one of the youngest graduates in UM history.

Herman returned to his native country to manage the family business while pursuing his doctorate in economic sciences from the Catholic University of Lima. In 1961, he was granted a Fulbright scholarship to the Wharton School of the University of Pennsylvania. Shortly thereafter, he took what would turn out to be the major step of his career, signing on with the Inter-American Development Bank in Washington, D.C., as a staff economist. Over 27 years, Herman served in a variety of positions, including heading the bank’s Training Division and later its Social Development Division.

By the time Herman retired from IADB in 1989, he had developed ties with the World Bank and many development institutions, which yielded diverse international consulting assignments. He has made several trips to China, one as a consultant to the People’s Bank of China. He has led seminars at the Islamic Development Bank in Saudi Arabia and has traveled extensively in Latin America. Herman has also discovered a second love — teaching. He has taught as an adjunct at The Johns Hopkins University and at several other schools, as well as during a “Semester at Sea” under the auspices of the University of Pittsburgh.

Herman, who became a U.S. citizen in 1995, is a frequent guest on the CNN en Español programs “Economía y Finanzas” and “En Efectivo.” His analyses are international in scope. “You cannot speak of economics without taking into account the situation of the whole world,” he maintains, lamenting the fact that many textbooks deal almost exclusively with developed countries.

Mostly retired now at age 78, Herman offers sage counsel to budding economists: “If you want to communicate, you have to learn foreign languages,” he says. But he is quick to make a distinction: “There is a difference between being bilingual and bicultural. Bicultural people understand what is not being said.”

— Karen Bennett
UNCORKING A GLOBAL STRATEGY

When it comes to global commerce, Guillermo de Aranzabal, chairman and CEO of the Spanish wine group La Rioja Alta, S.A., summarizes his company’s position succinctly: “We have too many eggs in one basket.”

La Rioja Alta’s wineries produce 4 million bottles annually. But even though the company exports to 48 countries, the domestic Spanish market still accounts for 75 percent of its sales.

That’s a figure Aranzabal is working to change. With prices averaging $25 a bottle (and select vintages going for considerably more), he says, “all our brands are in the top 1 percent of the wines sold in any country. So we need to find that 1 percent of the people who can buy our products and convince them that we have something worth the price.” Those discerning drinkers, he adds, “can be anywhere in the world.”

To that end, La Rioja Alta, S.A., is increasing its focus on international distribution. In addition to offices in Frankfurt and Miami, the company intends to open offices in Asia and the U.K. this year, and recently appointed a wine broker in Puerto Rico. “The greatest challenge is to improve the power of the brand globally,” says Aranzabal. “Our goal is to become an important supplier for our importers, so they can allocate more resources to our portfolio.”

Aranzabal credits the School of Business’s MBA curriculum with teaching him that “nothing is forever, things change, and business policies must also change.” With the global downturn, he is projecting two to three years of market slowdown and increased pressure on prices. In response, La Rioja Alta, S.A., is redoubling its commitment to quality. Last year, the company initiated three R&D projects at a cost of $1.4 million. La Rioja Alta, S.A., routinely plows 90 percent of its profits back into the business; in 2008, overall reinvestment totaled $8 million. The company is vertically integrated, producing most of its own grapes, building its own barrels and in some cases, as with the recent purchase of a distributor in Madrid, handling its own distribution.

“We face the 21st century with enthusiasm,” Aranzabal says of his 118-year-old, family-owned company. “We have gone through many things — including two World Wars — and know that this is the time to prepare for the future.” — Susan Delson
Ted Myerson, BBA ’97

PRESIDENT, FTEN INC., NEW YORK CITY

DRIVING A FINANCIAL FERRARI

With much of the financial services industry hunkered down in survival mode, Ted Myerson is taking his company, FTEN, in a decidedly different direction. With backing from four of Wall Street’s largest bulge-bracket banks, Myerson is leading the trade-execution and risk-management software firm he founded in 2001 on a global expansion push.

Credit Suisse, Goldman Sachs, JP Morgan Chase and Merrill Lynch (now owned by Bank of America) have made an undisclosed minority consortium investment in FTEN, and the capital is being used mainly to expand the company’s overseas infrastructure, especially for new collocation facilities, an important element in increasing the speed and enhancing the performance of high-volume, high-frequency trading customers.

“We provide access, speed and control to the global financial markets. Our trading engine is the fastest in the world,” Myerson says. Differences of milliseconds in trade execution matter in FTEN’s world, which is unlike the retail market for securities. Its clients, including hedge funds, multinational banks and broker-dealers, engage in high-volume trading, executing 10,000 to 20,000 trades per second. Collocation — having FTEN’s equipment in or very near the bourses and exchanges where its clients trade — sharpens their clients’ competitive edge.

“Having a Ferrari engine is just half the equation,” Myerson says. “When you’re moving at that speed, you also need reliable brakes, and that’s the pre-trade risk-management aspect of our software.”

FTEN’s programs protect institutional traders from what are known as “fat finger” mistakes, the occasional tendency of highly stressed traders working in a frenzied environment to hit the wrong key and potentially cost their employers millions. The archetypical incident occurred in December 2005, when an unidentified trader on the Tokyo Stock Exchange mistakenly sold 610,000 shares of a company at 1 yen — less than a penny — instead of the single share at 610,000 yen he intended. It cost his company, Mizuho Securities, about $225 million.

FTEN (named for the infrequently used macro key on computer keyboards) processes millions of global securities transactions every day, including more than 20 percent of the daily volume in U.S. equities. The firm’s business is inherently unaffected by market direction, since FTEN clients still require low-latency means to trade and risk-management tools.

“In a financial tsunami like we’re currently experiencing, the importance of risk management actually increases, which helps our business,” Myerson says.

Profitable, cash-flow-positive and debt-free, FTEN is growing, hiring employees and investing in infrastructure at a time when many financial services companies are scaling back. It already has facilities in London and Frankfurt, will launch in Tokyo this year and is on the lookout for additional expansion opportunities, especially in Asia.

Myerson credits the School of Business with helping him set the foundation for his future success. “UM was the only university I applied to, and I applied for early acceptance,” he recalls. “I saw the School and its Miami setting as an opportunity to get exposure to the global environment, to get a great education and to enjoy some beautiful weather. My expectations were met or exceeded on all counts.”

— Michael J. McDermott
PET PROJECT CROSSES BORDERS

Many a business enterprise boasts a quality-control department “with teeth,” but when Anthony Orlandini Said is talking about his company, HollyVet, you can take that literally. Duke, Moka, Charlie, Sasha and Cody — his pack of German shepherds — have the last wag when it comes to testing the canine line at the second-largest wholesale distributor of pet care products in Chile.

Born in Santiago and raised in Coral Gables, Orlandini calls his decision to attend UM “a natural choice. I learned the fundamentals of business, finance, law and management at UM,” he says. “The school has given my life structure and a solid foundation from which to confront any business venture or problem.”

After receiving the last of his four UM degrees in 2004 (he received a fifth degree from Thunderbird School of Global Management), Orlandini joined the corporate finance department in the Miami offices of Santiago-based LAN Cargo Airlines, traveling frequently between the two countries in which he holds citizenship. On one of those trips, he says, “the HollyVet opportunity presented itself.”

HollyVet, a 20-year-old pet supply distributor, was in financial turmoil — a challenge that intrigued Orlandini. Taking a leave of absence from LAN in 2005, he bought a majority stake in HollyVet and helped structure a multipronged strategy designed to fetch profits back to the company.

The foundation of his plan, he says, “was to change the way people think about their pets. We want them to consider their pet as another member of the family.” The belief was that a culture that valued animals as worthy companions would be more likely to appreciate the high-quality pet care products HollyVet brought to the market over the competition’s high-volume, discount approach. Orlandini signed on new brands, developed a new company catalog, invested in product development — and saw sales start to climb. Those moves have brought the company back into the black.

Extending into Peru and Bolivia, which now account for 8 percent of sales, has brought additional profitability. Orlandini says HollyVet’s competitive advantage lies in a 50-50 mix of locally sourced and imported products from China, Brazil, the United States and Europe. “We have a better combination of price and quality than our competition,” he says.

Fiel a tu mascota: Faithful to your mascot. “That’s our motto,” says Orlandini. “Rather than think only that your pets are loyal to you, the idea is that you are loyal to your pets.”

— Carole Bodger
Sachin Dhupelia, BBA ’00
FOUNDER AND MARKETING DIRECTOR, INZAMIA, MIAMI

INTERNATIONAL STYLE
When your heritage has foundations on three continents, why not start a business that brings them all together? That is the philosophy behind Inzamia, a high-end furniture store that Sachin Dhupelia and his brother, Bhavin, opened in Miami’s Wynwood art district in 1997. The name Inzamia is an acronym representing the brothers’ three home bases — “In” for India; “za” for South Africa (it’s the country’s Web code) and “mia” for Miami. Born in Durban, South Africa, into a family with Indian roots, they moved to Miami when Sachin Dhupelia was 14. “In college, my brother focused on finance and accounting while I studied marketing and management at UM,” he says, “so we complement each other well in business.”

Inzamia began with a random request from a customer who was looking for a particular furniture design that he couldn’t find anywhere else. He knew that the brothers were going to India, so he showed them a photo of what he wanted and asked them to watch for it. Without going out of their way, they found 200 choices to meet his specific request. They lined up partners in India, where almost all of their products are manufactured, and opened their doors in Miami. Today, Inzamia sells fine furniture and accessories from their Miami showroom and website, www.inzamia.com.

Dhupelia takes pride in catering to his clientele by focusing on custom orders. “Lots of inspiration comes from our customers,” he says, noting that it’s not unusual for interior designers or imaginative individuals to come into the store and order something they see, but with modifications to fit a certain size or fill a particular space. Inzamia recently outfitted an entire boutique hotel on Harbor Island, Bahamas, with furniture for the guest rooms, and the lobby and outdoor lounge area of a boutique hotel in Costa Rica. He looks forward to working with other architects and designers on similar projects.

Dhupelia recalls his time at the School of Business fondly, noting that “the best lessons came from meeting people from all over the world and interacting with other students from so many countries.”

— Lauren Firtel

ROBERTO J. COLÓN (BBA ’08) is an associate at Alvarez & Marsal Taxand, LLC, in Coral Gables. The professional services firm provides objective, independent tax advice and works closely with its parent firm, Alvarez & Marsal, which is overseeing the restructuring of Lehman Bros.

MIRIELLE GONZALEZ (MBA ’07) is a research analyst in the Advancement Division of the University of Miami.

ARNA LOTFIJOU (MBA ’00) is second secretary, administration, and vice-consul for the Embassy of Canada in Madrid.

EVAN A. MCGILL (BBA ’02) is senior manager at PRTM Management Consultants, a privately owned firm that helps senior management restructure their organizations for market leadership and greater shareholder value.

JOSHUA R. LEVENSON (BBA ’05) joined Holland & Knight, LLP, as an associate in the firm’s Fort Lauderdale, Fla., office.

RAKESH NIHILANI (MBA ’05) is a senior business analyst in the Business Transformation Office of the Dubai World Trade Center, a semi-government firm. DWTC is liaise in the global project management arena.

JOE LARATRO (BBA ’96) spoke at Web 2.0, an event at the University of Miami hosted by Enterprise Forum, an entrepreneurial networking group. Laratro, who is president of the South Florida Interactive Marketing Association, discussed social media in today’s world.

CHRISTOPHER S. LAURSEN (BBA ’91) joined NERA Economic Consulting as a senior consultant. The international firm, based in New York City, is a leading global provider of economic advice and analysis in business, legal and regulatory matters.

RUDOLPH MOISE (MBA ’94, JD ’97), president of Comprehensive Health Center Inc., in Miami, was named a Knight of the Pontifical Order of Saint Gregory the Great by His Holiness Pope Benedict XVI. This Pontifical Honor is at the highest level of the church for the Haitian-American’s outstanding attachment to the Catholic faith.

RAMON SUANZES (MBA ’99) is managing partner at Madrid’s M&B Capital Advisers, an investment firm focusing on high-net-worth individuals and institutional clients.

2000s

ROBERTO J. COLÓN (BBA ’08) is an associate at Alvarez & Marsal Taxand, LLC, in Coral Gables. The professional services firm provides objective, independent tax advice and works closely with its parent firm, Alvarez & Marsal, which is overseeing the restructuring of Lehman Bros.

MIRIELLE GONZALEZ (MBA ’07) is a research analyst in the Advancement Division of the University of Miami.

ARNA LOTFIJOU (MBA ’00) is second secretary, administration, and vice-consul for the Embassy of Canada in Madrid.

EVAN A. MCGILL (BBA ’02) is senior manager at PRTM Management Consultants, a privately owned firm that helps senior management restructure their organizations for market leadership and greater shareholder value.

JOSHUA R. LEVENSON (BBA ’05) joined Holland & Knight, LLP, as an associate in the firm’s Fort Lauderdale, Fla., office.

RAKESH NIHILANI (MBA ’05) is a senior business analyst in the Business Transformation Office of the Dubai World Trade Center, a semi-government firm. DWTC is liaise in the global project management arena.

JOE LARATRO (BBA ’96) spoke at Web 2.0, an event at the University of Miami hosted by Enterprise Forum, an entrepreneurial networking group. Laratro, who is president of the South Florida Interactive Marketing Association, discussed social media in today’s world.

CHRISTOPHER S. LAURSEN (BBA ’91) joined NERA Economic Consulting as a senior consultant. The international firm, based in New York City, is a leading global provider of economic advice and analysis in business, legal and regulatory matters.

RUDOLPH MOISE (MBA ’94, JD ’97), president of Comprehensive Health Center Inc., in Miami, was named a Knight of the Pontifical Order of Saint Gregory the Great by His Holiness Pope Benedict XVI. This Pontifical Honor is at the highest level of the church for the Haitian-American’s outstanding attachment to the Catholic faith.

RAMON SUANZES (MBA ’99) is managing partner at Madrid’s M&B Capital Advisers, an investment firm focusing on high-net-worth individuals and institutional clients.
UNIVERSITY OF MIAMI SCHOOL OF BUSINESS 2009

ADMINISTRATION
Barbara E. Kahn, PhD
Dean
A. Parasuraman, PhD
Vice Dean, Faculty
Anuj Mehrotra, PhD
Vice Dean, Graduate Business Programs
Linda L. Neider, PhD
Vice Dean, Undergraduate Business Programs
Arun Sharma, PhD
Vice Dean, Strategic Initiatives
Rene Sacasas, JD
Director, Real Estate Programs
Steven G. Ullmann, PhD
Director, Health Sector Management and Policy Programs
Mark A. Robinson
Chief Financial Officer
EllenMarie McPhillip
Assistant Dean, Undergraduate Business Programs
Laura Padron
Assistant Dean, Development and Stewardship
George Corton
Senior Director, Development
Jeff Heebner
Director, Communications
Alexander P. Pons, PhD
Director, Sanford L. Ziff Graduate Career Services Center
Cristina M. Raecce
Director of Recruiting and Admissions
Blanca I. Ripoll-Garcia
Executive Assistant to the Dean

FACULTY

ACCOUNTING
Andrew Leone, Chair
Royce D. Burnett
Shirley Dennis-Escoffier
Mark E. Friedman
Elaine Henry
Oscar J. Holzmann
Dhananjay Nanda
Lawrence C. Phillips
Olga Quintana
Sundararaj Ramnath
Avi Rushinek
Kav W. Tatum
Ya-Wen Yang

BUSINESS LAW
Rene Sacasas, Chair
Patricia Abril
Anita Cava
Ann Morales Olazabal

COMPUTER INFORMATION SYSTEMS
Joel D. Stutz, Chair
Robert T. Grauer
Robert T. Plant
Sara F. Rushinek
Mario Yanez

ECONOMICS
Manuel Santos, Chair
Serife Nuray Akin
Luca Bossi
Michael B. Connolly
Chris Cotton
Carlos Flores

FINANCE
Douglas R. Emery, Chair
Sandro Andrade
W. Brian Barrett
Gennaro Bernile
Thor W. Bruce
Timothy R. Burch
Vichi Chiaohchih
Andrea J. Heuson
Qiang Kang
William Landreth
Ricardo J. Rodriguez
Tie Su

MANAGEMENT
Yadong Luo, Chair
Cecily Cooper
John D. Daniels
Marie Dasborough
Joseph Ganitsky
Harsh Gurnani
Vaidyanathan Jayaraman
Marc T. Junkunc
Jeffrey L. Kerr
Duane Kujawa
Yadong Luo

TRUSTEE MEMBERS
Norman Braman, Chair
Dany Garcia (BBA '92), Vice Chair
Adrienne Arsh
Wayne Chaplin (BBA '79, JD '82)
Hon. Charles E. Cobb, Jr.
Miguel Fernandez

EXTERNAL MEMBERS
Tere Blanca (BBA '81, MBA '83)
President & CEO
Blanca Commercial Real Estate, Inc.
Pat Harker, President
University of Delaware

Beverly Chang
President, Greenwood Gulch Ventures
Jon Spector, CEO
The Conference Board
Richard Staelin, Edward and Rose Donnell Professor of Business Administration
Fuqua School of Business
Duke University

MISSION STATEMENT
The mission of the University of Miami School of Business is to provide an environment in which the creation and dissemination of business knowledge can flourish.

COMMENTS ON THE MISSION STATEMENT SHOULD BE ADDRESSED TO BKAHN@MIAMI.EDU
You have the desire, the talent and experience to lead. Now gain the edge you need with an MBA from the prestigious University of Miami School of Business Administration. With innovative programs, world-class faculty and global connections, the UM School of Business provides professionals with the knowledge and skills they need to succeed in today’s competitive business environment.

- Global business connections
- World-renowned faculty
- Diverse and accomplished program participants
- Monday evening / Saturday morning classes
- Scholarships available

SET YOURSELF APART WITH THE UM MBA.

MBA FOR WORKING PROFESSIONALS — PROGRAM BEGINS JULY ’09

You have the desire, the talent and experience to lead. Now gain the edge you need with an MBA from the prestigious University of Miami School of Business Administration. With innovative programs, world-class faculty and global connections, the UM School of Business provides professionals with the knowledge and skills they need to succeed in today’s competitive business environment.

- Global business connections
- World-renowned faculty
- Diverse and accomplished program participants
- Monday evening / Saturday morning classes
- Scholarships available

ATTEND AN INFORMATION SESSION
THURSDAY, JUNE 4, 2009 AT 6:30 P.M.
SCHOOL OF BUSINESS ADMINISTRATION
McALMOR EXECUTIVE EDUCATION CENTER
THIRD FLOOR
RSVP 305-284-2510 | MBA@miami.edu
www.UM2009MBA.com