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To tap into your network, contact Jennifer Quintana at jquintana@miami.edu, or visit our Web site at www.bus.miami.edu/alumni
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Fall 2011 BusinessMiami 1
Preparing the Business Leaders of the future

It’s been a busy and exciting time since I arrived in Coral Gables this past August and began my appointment as dean of the University of Miami School of Business. I have already had the pleasure of meeting many of you — alumni, students, parents, donors, supporters and friends of the School, and colleagues around the University and the South Florida business community. I look forward to connecting with many more of you during the next few months.

I’m honored and thrilled to be leading the School at a time when business education is at a crossroads. The unprecedented issues facing global business and society in the 21st century call for a new generation of ideas and leaders. The School is uniquely positioned to help develop that next generation, as well as bring new expertise and ways of thinking to businesses around the world. We have world-class faculty members who are thought leaders in their research and the educational experiences they design. Through our undergraduate, graduate and executive programs, we are preparing students, business leaders and organizations to successfully compete in today’s changing business world. Our unique position in the gateway to the Americas helps us connect with the fast-growing markets of Latin America, and provides an ideal location for international business education.

All of this happens only with your help: your gifts of time and talent spent with our students, your interest in our students and graduates for internships and jobs, your donations, and your thoughtful input on how to move our community forward. Together, we will develop the leaders of today, and of the decades to come.

I welcome your ideas about the future of business education and how the School of Business can help lead the way into that future. Please feel free to email or call me with your thoughts.

— Gene Anderson
genea@miami.edu
Fall 2011
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Connecting with the Business Community

Dean Gene Anderson joined the School of Business on Aug. 1. In the months since, he has been busy meeting with students, faculty, staff, parents and alumni, as well as business leaders in South Florida, New York and other cities.

First, former Interim Dean Frances Aldrich Sevilla-Sacasa welcomed Anderson to the School and to the South Florida community with a reception at her home. The School also joined with the Greater Miami Chamber of Commerce in hosting a Leadership Breakfast for Anderson; Penny Shaffer, market president for Blue Cross and Blue Shield of Florida and chairman of the Chamber, led the activities, which included Chamber President and CEO Barry E. Johnson and top executives from local businesses and organizations. All pledged to work with the dean and the School.

“We have been looking forward to meeting Gene Anderson and to begin what I know will be a strong and mutually beneficial relationship,” said Shaffer, who is a member of the School’s Advisory Board to Programs in Health Sector Management and Policy. “The UM School of Business plays a very important role in helping the Chamber engage with the companies and individuals we represent, and we are delighted to continue our work with the School under Dean Anderson’s leadership.”

In October, Anderson met with executives in New York City as part of the School’s annual New York trip for undergraduates and MBA students, and he plans to join several Florida business leaders on an Enterprise Florida Inc. trade mission to Brazil later that month. Working with the business community is one of his key priorities as dean. “A strong partnership with the business community is vital to the business school,” Anderson said. “It enables us to provide unique hands-on-learning opportunities for our students and helps us fulfill our shared interest in building a vibrant economic environment.”

alumni Donation Boosts career services

Rick Tonkinson (MBA ’84, MPA ’85) and his wife, Margarita (MPA ’84), have made a generous gift to the School’s Sanford L. Ziff Graduate Career Services Center. In recognition of their significant contribution to MBA career services, the Ziff Center’s conference room has been named in the couple’s honor.

see “Career Services,” page 9

school Joins nation’s largest gathering of Hispanic Business Leaders

The School joined some of the country’s most prominent corporations, small businesses and other organizations as participants in the U.S. Hispanic Chamber of Commerce’s 32nd annual National Convention. The event, held in Miami Beach in September, is the largest gathering of Hispanic business leaders in the U.S. The School, in partnership with the UM Center for International Business Education and Research (CIBER), served as an academic sponsor. More than 5,000 people attended workshops, networking events and a business expo, in which the School was one of about 150 exhibitors. The program focused largely on expanding opportunities for Hispanic-owned businesses by helping them foster strategic relationships with corporations, nonprofits and government agencies. Sponsorship of the USHCC convention is part of the School’s ongoing efforts to support business growth and help organizations find solutions to the business challenges they face. New Dean Gene Anderson attended the convention along with representatives from graduate business programs, executive education, career services and CIBER.

see “Gathering,” page 9
Working Across Disciplines

THE SCHOOL CONTINUES to expand its collaborations with other schools within the University through the introduction of two multi-school degree programs. Undergraduate business students can now earn a double major in business and ecosystem science and policy through a partnership with UM’s Leonard and Jayne Abess Center for Ecosystem Science and Policy. The program emphasizes the integration of science and policy approaches to real-world environmental issues.

Offered for the first time this fall, a new triple-degree graduate program allows students who were undergraduate business majors to earn three degrees — a JD, an LLM in taxation and an MBA — in just four years. A $1.5 million gift from entrepreneur Steven Mariano to the UM School of Law established the program, which is believed to be the first of its kind.

Partnerships strengthen Business community Ties

THE SCHOOL HAS PARTNERED with the Family Firm Institute to host a series of seminars in Miami for Spanish-speaking professionals who work with family enterprises. The first seminars, the 2011 Interdisciplinary Seminars for Family Enterprise Professionals, took place in May. The Spanish-language courses covered topics such as wealth management for multigenerational families, interdisciplinary advising for family enterprises and managing human capital across multigenerational businesses.

Other partnerships have taken the School’s expertise and support outside Miami, such as a March collaboration with PNC Bank to host a economic outlook seminar in Tampa. The seminar provided UM alumni and other members of the community with the opportunity to earn CTP/CCM recertification credits from the Association for Financial Professionals.
Making the Case
School Hosts MBA Students from Top Schools for Co-op Competition

IN APRIL, the School co-hosted the 2011 Watsco Case Co-opetition, joining with the Strategy and Operations Club of New York University’s Stern School of Business in a new partnership. The competition brought together MBA students from some of the world’s leading business schools: UM, Stern, Columbia Business School, the University of Chicago’s Booth School of Business, Northwestern University’s Kellogg Graduate School of Management and Emory University’s Goizueta Business School.

Unlike typical case competitions in which students are teamed with others from their own school, students in this program worked in cross-school teams. The case focused on the competition’s sponsor, Miami-based Watsco Inc., which is the largest distributor of air conditioning, heating and refrigeration equipment and related parts and supplies in the HVAC/R industry. Students explored the company’s interest in growing mindshare and market share, specifically regarding ductless HVAC systems, and had to define the best way to grow immediately and cost-effectively.

Six University of Miami MBA students participated, including two who were on winning teams: Rupayan Acharya was on the first-place team, which won $8,000; and Geoff Todd was on the runner-up team, which received $1,000.

UM and NYU plan to partner again next year, with UM once again hosting the Watsco Case Co-opetition.

Meeting the Compliance Challenge
LATIN AMERICAN HEALTH CARE CoMPETITION CERTIFICATE PROGRAM EXPANDS

UNDER THE GUIDANCE of an advisory board of top Latin American pharmaceutical, life sciences and compliance executives, the School is expanding an important executive education offering. The UM Latin American Health Care Compliance Certificate Program is a collaboration between the School’s Center for Health Sector Management and Policy and corporate partners. The 2011 program, held in October and open only by invitation, gave participants a thorough understanding of health care compliance issues in Latin America through three days of intensive training. In 2012, the seminar will be held in both April and October, and will be an open-enrollment program.

Development of the program will continue with the input of the advisory board:

ted A. Costa, Ernst & Young’s leader for life sciences and corporate compliance, as well as fraud investigation and dispute service
Imelda A. Ibarra, Novartis’ head of regional integrity and compliance for Latin America
Mafalda A. Ives, Stryker’s Latin America’s regional compliance manager
Andres Cedron, Stryker’s Latin America’s assistant counsel
Mauro Diaz, a GlaxoSmithKline compliance officer
Gildas Durand, Ernst & Young’s senior manager for fraud investigation dispute services
Esther M. Fisch, Trench, Rossi e Watanabe partner
Carlos Garcia, Bristol-Myers Squibb de Mexico’s compliance and ethics director for Latin America and Canada
Laura Giussani of Lilly
Rodrigo Lecuona, Schering-Plough’s compliance and business practices director
Vivian Lima-Barret, Abbott laboratories’ director for Latin America ethics and compliance

Cleveryt Martinez, Johnson & Johnson’s HCC& regional vice president for Latin America
Eduardo Matheus, Astrazeneca’s Latin America’s regional compliance officer
Paul J. McNulty of Baker & McKenzie I I p
Juan F. Millan, CFTII ARMA’s executive director
Louis Ramos, Pfizer’s senior corporate counsel
Maria Leonor Rios, Baxter Hospitalar’s assistant general counsel, ethics and compliance, Latin America
David Trinkle of Deloitte
L. Stephen Vincze, Deloitte’s financial Advisory Services

More on Miami MBA...
school Partnership to Help cfos navigate complexity

THE SCHOOL OF BUSINESS has partnered with the national CFO Alliance to establish the organization’s South Florida chapter and develop a series of roundtable discussions for senior financial executives.

South Florida’s role as a hemispheric financial center made it a crucial location for the organization, according to Nick Araco Jr., president and CEO of the CFO Alliance. “This CFO community told us to come here,” he said. “This finance community is mission-critical to economic development and growth around the U.S. It’s a gateway. It’s an emerging economy.”

The partnership kicked off in February with a breakfast meeting and presentation for 60 finance executives titled “The Changing Role of the CFO.” Dhananjay “DJ” Nanda, an accounting professor at the School, led the presentation and subsequent discussion about how the job of the chief financial officer has evolved from accounting office supervisor to strategic advisor — what he called “the chief wizard.”

Other co-hosted events included a June roundtable discussion on how to identify the best investment opportunities, and subsequent discussion about how the job of the chief financial officer has evolved from accounting office supervisor to strategic advisor — what he called “the chief wizard.”

“Finance professionals are navigating an increasingly complex world, and as the region’s leading business school, we have a role in helping them adapt,” said Amelia Rea Maguire, the School’s associate dean for external affairs and chair, executive education. “Our partnership with the CFO Alliance is one way we can share our faculty expertise and help executives and companies adapt to these kinds of transformations.”

Expanding Real Estate Expertise

FIVE NEW REAL ESTATE industry leaders have joined the School’s Real Estate Programs Advisory Board, which is helping the School as it expands its undergraduate and MBA offerings in this area. The new board members are Manuel De Zárraga (BSCE ’83, MBA ’83), executive managing director in the Miami office of the commercial real estate capital firm Holliday Fenoglio Fowler; William G. Cohen (BBA ‘80), executive vice president and principal of the real estate service firm Newmark Knight Frank; Andrew M. Smulian, chairman and CEO of law firm Akerman Senterfitt; Jeffrey R. Keitelman, a partner at law firm DLA Piper; and Richard Brickell, senior vice president of the commercial real estate services firm Joseph P. Day Realty Corp.

Real Estate Connection on LinkedIn

The School’s growing base of alumni and students in the industry has another way to network with one other through a new LinkedIn group, “UM Real Estate Industry Networking Group.”

undergraduate student research

Students paired with faculty mentors to conduct research

school establishes international financial reporting institute

This fall, the School’s Accounting Department established a new International Financial Reporting Institute. The institute puts the School on the leading edge of the accounting industry, anticipating a growing demand for professionals who understand international business and work with a variety of industry practices.

“This institute, and everything it encompasses, is going to differentiate us from every other accounting program in the country, because our students will have been trained to understand the implications of international business firsthand,” said Andrew I. Eone, accounting department chair and Arthur P. Metzger professor of Accounting. According to I. Eone, accounting professionals today must understand clients’ business, cultural and economic environments. “We’re not just trying to teach our students the rules of accounting, but more importantly how people from different cultures do business,” I. Eone added.

The institute’s activities will include funding faculty and student research in international accounting, international student internships and annual conferences in the field of international accounting.
Undergraduates Study Business in Paris, Milan

Undergraduate students headed to Paris and to Milan, Italy, on two separate four-week study trips this summer, to learn about international marketing and business.

Fourteen students studied in Paris, participating in a combination of cultural activities and business-related field trips. The program culminated in marketing proposals developed by the students for the prominent French cosmetics company L’Oréal.

“Our program had three dimensions: academics, culture and business,” said Trini Callava, the program director and a marketing lecturer at the School.

Living as Parisians for four weeks, the students learned through field trips such as a macaroon-making excursion to the famous Gérard Mulot confections factory and a cooking lesson with French chef Olivier Berte. They visited GE France, beverage producer Orangina, and L’Oréal’s French headquarters, where they studied the company’s business model and marketing practices. There, they worked in teams to create a campaign aimed at the brand’s Brazilian market.

“We were able to learn about L’Oréal’s products and marketing strategies firsthand,” said student Torie O’Neil, who worked on a campaign for L’Oréal’s Garnier Fructis shampoo.

The students dissected two Harvard Business case studies, “L’Oréal of Paris: Bringing ‘Class to Mass’ with Plenitude” and “L’Oréal and the Globalization of American Beauty,” as a platform for their strategic proposals, which they presented to executives from Brazil at L’Oréal’s Miami branch. The top students also had the opportunity to interview for an internship with L’Oréal in Miami.

Another 22 students participated in the School’s study-abroad program in Milan, where the focus was on operations management from an international perspective.

Luca Donno, a management science lecturer and native of Milan, directed the program, which included morning classes and field trips to observe the operations of some of Italy’s most renowned companies, including Pirelli Tyre, Ducati and Silvio Nardi Vineyards, producers of Brunello wines. They also visited the production plant for Lamborghini, where they observed the manufacture of the Aventador, Lamborghini’s latest model, which had yet to be released to the public.

Students earned credits in both programs, but the real-world experience will ultimately be more valuable. “It’s one thing to put something on the board, but it’s entirely different when you can see these operational concepts in person,” Donno said.
alumni support enhances small Business Training Program in Jamaica and elsewhere

THROUGH THE SUPPORT of Pedro Fábregas (MSPM ‘08), the School’s Hyperion Council hopes to expand its training programs for small- and micro-business owners. The undergraduate student organization, which developed the training itself, has been sending members to Jamaica to conduct sessions since 2008.

For the second year in a row, the program was sponsored by American Airlines and American Eagle, through Fábregas, president and CEO of American Airlines subsidiary American Eagle Puerto Rico, the Caribbean, Bahamas and Florida.

On the trip, students worked with more than 30 farmers and small business owners in Saint Mary, one of Jamaica’s smallest parishes. Jamaica Producers Group Ltd., a local manufacturing and distribution company, helped organize participants for the training, which focused on examining bookkeeping practices and packaging and establishing a personal brand could bring in more revenue and more business in the future,” said Shannon Nurse, who was a junior at the time and led the group.

“The program has been so successful that Fábregas, a founding member of the School’s Board of Overseers, hopes the council will visit a different country each year, expanding it from Jamaica to Central America and other parts of the Caribbean. “Whatever we can do to support communities is important, but what’s more important is that we’re taking our students and providing them with the experience of going into places and helping people,” Fábregas said. “Helping 100 entrepreneurs is not enough. We need to expand all over the Caribbean and lead by example.”

school named nfTE educational Partner

HoNoR RECoGNiZE SCHooL’S EffeRTS To ENCooRAGE HIGH SCHooL ENTREpREneurs IN SoUTH Fl ORIDA

The Net Work for Teaching Entrepreneurship, South Florida chapter, has named the UM School of Business Administration its Educational partner of the year. NF TE is a national organization dedicated to helping young people from low-income communities to continue their education and aspire to careers in business.

“The NF TE partnership is important to our entrepreneurship program because we believe in strong engagement with our community, and NF TE is serving a very valuable function in the Miami-Dade area,” said Ken Colwell, the School’s director of entrepreneurship programs.

For the past two years, the School has hosted the semi-finals of NF TE’s ‘business plan competition. On May 18, it hosted the fourth annual youth Biz-Plan Challenge presented by Bank of America, welcoming some of the region’s high school entrepreneurs.

But involvement with NF TE goes beyond such competitions. The UM Entrepreneurship Club has hosted events with the budding entrepreneurs from local high schools, mentoring them and helping them develop their business plans.

It is work that Colwell says the School will continue. “NF TE is working alongside disadvantaged high schools with very scarce resources. I like all good entrepreneurs, they ‘boot-strap’ it as well as they can,” he said. “Any support we can offer them is very well deserved.”

Members of new Phi Beta Iambda chapter earn national Honors

THE SCHOOL’S Future Business Leaders–Phi Beta Lambda chapter, founded only last year, followed up strong showings at state and district competitions to win several awards at the organization’s national competition in Orlando, Fla.

Alicia Barroso, who is also the chapter’s president and was elected state secretary, earned fourth-place in the national rankings in help desk project management. Chris Morgan placed second nationally in the marketing concepts competition, and Max Wexler placed eighth nationally in statistical analysis. Chris Kelm qualified to attend nationals in the business communications competition.
sevilla-sacasa serving as executive advisor

FORMER SCHOOL OF BUSINESS INTERIM DEAN FRANCES ALDRICH SEVILLA-SACASA (BA ’77) has agreed to continue to partner with the School. As executive advisor to Dean Gene Anderson, she is a part of the School’s senior leadership team. She will provide counsel on strategic initiatives and will facilitate community outreach and the execution of the School’s Impact Conferences. “We are extremely fortunate to have someone like Frances remain connected to the School in this capacity, and I look forward to her help on all of these fronts,” Anderson said.

“I hope to carry forward the momentum that the School of Business has under Dean Anderson’s leadership and focus on engaging its external community and stakeholders,” Sevilla-Sacasa said. In this capacity, she will bring both her background with the School, where she served as interim dean for seven months, and her experience in international business and financial services. Sevilla-Sacasa, who is a member of the UM President’s Council, earned an MBA in international management from the Thunderbird School of Global Management and has more than 30 years of experience in financial services and global wealth management.

School of Business names Vice Dean for undergraduate Business education

The School of Business has named Ann Morales Olazábal (MBA ’97), a professor of business law, vice dean for undergraduate business education. Olazábal, who has been on the School’s faculty for nearly 15 years, will oversee the program that has nearly 2,000 students in more than a dozen business majors.

“Ann will lead the School’s continuing efforts to offer our undergraduates the best possible educational and professional development opportunities,” said Dean Gene Anderson. “I know that her leadership will help ensure that our undergraduate offerings are all ones of which we can be truly proud.”

Olazábal has received numerous awards for her research and teaching, including the University Teaching Excellence Award. Her research has been published in leading law journals, and she has served for many years on the executive editorial board of the American Business Law Journal.

“I am honored to have the opportunity to serve in this role at a time when we are attracting the best and brightest students from around the world,” said Olazábal. “I look forward to working with our faculty and professional staff to ensure that our students are best prepared to launch their careers and to succeed in today’s fast-changing global marketplace.”

Prior to joining the School of Business, Olazábal was a practicing attorney for a decade, serving most recently as vice president and general counsel to Miami exporting firm Ex Ko Services Inc. Prior to that, she was a commercial litigator in private practice in Phoenix.

Olazábal earned her JD at the University of Notre Dame and her BA at Texas Christian University, in addition to her UM MBA.

GATHERING from page 3

“This event was a wonderful opportunity for us to strengthen our connections with the business community, particularly the Hispanic business community, which plays such an important role in the economy of South Florida and across the U.S.,” said Amelia Rea Maguire, the School’s associate dean for external affairs. “We look forward to continuing to work with the USHCC as part of our active community engagement.”

The USHCC, founded in 1979, actively promotes economic growth and development for Hispanic entrepreneurs, and is the umbrella organization for more than 200 local Hispanic chambers in the U.S. and Puerto Rico.

CAREER SERVICES from page 3

Rick Tonkinson, who founded financial services firm Tonkinson & Associates, is also working with the Ziff Center to develop the Rick Tonkinson Lecture Series, which will help students in their job searches. “We’re going to include not only the full-time MBAs but the night, Saturday and executive MBA candidates as well,” Tonkinson said. “I was one of those students working a full-time job while going to night school, and I want to make sure the same resources are available to them.” Tonkinson is a member of the School’s Entrepreneurship Programs Advisory Board.
In the News
recent media citations

School’s faculty share their expertise with media around the world

“Nightly Business Report” (Pbs) – 9/13/11
Steven G. Ullmann, director of the School’s Programs in Health Sector Management and Policy, commented on the Census report that found that nearly one in six Americans live in poverty, noting that when people can’t make basic ends meet, “of course access to health care becomes that much more problematic.”

The Financial Times – 9/11
The newspaper featured research by Dhananjay Nanda, a professor of accounting, that found that CEOs who have been with their firms for fewer than five years are far more likely to get fired for poor firm performance than longer-term CEOs.

Wired – 8/26/11
Speaking about Apple CEO Steve Jobs’ departure, Marianna Makri, an associate professor of management, predicted that:

“In the long run, another creative leader will need to take the reins, in order for the Apple ‘cult’ to sustain itself.”

“Marketplace” (Public radio) – 8/22/11
The national radio program reported on research by Claudia Townsend, an assistant professor of marketing, that found that the more attractive a company’s annual report, the higher investors value the company.

Harvard Business Review – 8/22/11
In a blog post, Robert Plant, an associate professor of computer information systems, offered advice for using technology to improve customer service, rather than stand in its way: “More and more aspects of our lives are dictated by systems designers who can’t hear our complaints and probably wouldn’t be able to relate anyway. It doesn’t have to be that way.”

Kiplinger – 8/8/11
In an article about persistent high unemployment in Florida, Sandro Andrade, an assistant professor of finance, predicted that many jobs will come back when the economy does. Douglas Emery, chairman and professor of finance, predicted that the current economy is experiencing a realignment, as has happened in the past:

“We don’t have people making buggy whips anymore, but that doesn’t mean we didn’t find other jobs for them.”

“60 second science” (Scientific American) – 8/18/11
A podcast covered the model used by Major League Baseball to solve its difficult umpire scheduling challenges, which was developed by Tallys Yunes, an assistant professor of management science.

Kiplinger – 8/8/11
In an article about how an inundation of bad news can scare investors away from their long-term strategies, Alok Kumar, the Gabelli Asset Management Professor of Finance, noted that loss aversion – the sometimes irrational pain felt at losing money – can goad investors into selling, just to avoid further pain. He advised:

“It’s best to ignore the news.”

United Press International – 7/26/11
Sandro Andrade, an assistant professor of finance, talked about Greece’s debt crisis, noting that:

“If Greece decided to pay 25 cents on a dollar, take it or leave it, which was what Argentina did, the country’s banking system will take a huge blow.”

The Wall Street Journal – 7/3/11
An article about shopping mall trends included insight from Arun Sharma, a professor of marketing, who noted that shoppers spend more money at malls with good food courts, which is one reason malls are renovating these areas.

Kiplinger’s Personal Finance – 7/1/11
An article on the phenomenon of “investing as gambling,” picked up by The Washington Post, cited research by Alok Kumar, the Gabelli Asset Management Professor of Finance, that found that the demand for penny stocks goes up during tough economic times. His research also found that people who are predisposed to buy lottery tickets also like penny stocks.

“Bluffing works because your opponent can’t tell whether you are really strong or whether you are only acting strong.”

Kiplinger – 5/31/11
A segment about the Miami Heat’s winning season and player LeBron James’ move to Miami highlighted research from Vidhi Chhaochharia, George Korniotis and Alok Kumar, all members of the School’s finance faculty, that found that in states where people are more optimistic, economic recessions are weaker, expansions are stronger, and recovery is faster. Kumar noted:

“It’s not unreasonable to conjecture that local optimism generated by a local sports team acts as a prozac for the local economy. So I can say: Go Heat.”

Us News and World Report – 5/25/11
An article featured research by Christopher Cotton, an assistant professor of economics, that used game theory to assess the Chinese military legends of Li Guang and his 100 horsemen and Zhu Ge Liang and the Empty City, both of whom defeated much larger armies by bluffing. He said professionals unknowingly use game theory strategies to innovatively solve everyday problems, and noted his research found that uncertainty is what makes bluffing effective:

“Bluffing works because your opponent can’t tell whether you are really strong or whether you are only acting strong.”

Chosun Ilbo – 4/8/11
South Korea’s largest daily newspaper wrote about A. Parasuraman, holder of the James W. McLamore Chair in Marketing and a professor of marketing, citing his extensive research on customer service and organizational deficiencies.

“Contact to these articles, plus more school faculty in the News: bus.miami.edu/othenews

10 Business Miami Fall 2011
Assessing Risk — and Taking a Chance

BankUnited CEO John Kanas Explores Making a Major Buy During the Financial Crisis

During the recession of the early 1990s, banker John A. Kanas was in serious financial trouble. With a large mortgage payment and two children in college, he had to borrow $20,000 from a friend just to pay their tuition, Kanas told School of Business students, alumni and faculty during his April 19 Executive in Residence presentation in Storer Auditorium.

“When you are almost broke, you learn some valuable lessons,” said Kanas, who today is chairman, president and CEO of BankUnited (NYSE: BKU), one of the largest Florida-based banks. “You pick yourself up, wrap your arms around the problem and never, ever give up.”

That’s exactly what Kanas did, helped by a 1992 upturn in the real estate market that put him back on an even keel. He went on to build New York-based North Fork Bancorporation into one of the nation’s largest banks, selling it in 2006. In May 2009, he led a private equity investment group that purchased the failed BankUnited’s assets for $900 million from the Federal Deposit Insurance Corp.

“The FDIC solicited bids from 63 institutions across the globe,” Kanas told the audience. “But this was a scary time for the financial industry, and only three bids were ever submitted. In retrospect, this was a good deal, but remember that those were difficult days, and this was clearly a risk.”

In January, BankUnited raised nearly $800 million in an initial public offering, making it one of the best-capitalized U.S. financial institutions. Kanas said the bank plans to grow aggressively in Florida and expand to New York next summer.

Asked how he analyzes a potential acquisition target, Kanas said he looks at the bank’s relative level of credit and interest rate risk as well as the business benefits of expanding the current franchise. “You want to create strategic value for your institution that goes beyond the immediate economic advantages,” he said.

Overall, Kanas expects the U.S. financial industry to continue to consolidate. But consolidation isn’t always a good thing, Kanas warned. “Centralization results in fewer choices for small business owners,” he explained. “Right now, about 107 banks control 80 percent of the U.S. market.”

Before his talk, titled “A Candid Perspective on the Economy,” Kanas spent the day with students, faculty and alumni as part of the School’s Executive in Residence program. And he offered some insight about what makes a successful CEO: the ability to make hundreds of decisions a week and overcome the inevitable mistakes. “Everyone who has achieved great success in life has also had great disappointments,” he said. “Just keep hammering away, and if you are patient, work hard and are lucky, you’ll reach your goals.”

— Richard Westlund

Web Poll:
Are companies too risk averse right now?
Vote at bus.miami.edu/magazine
Following the Liquor

What Can You Learn By Following A Product From Producer And Distributor Through The Client, Across Multiple Industries?

It turns out, you can learn a lot — about the importance of data analysis, about how competing companies affect a business and about the value of outside perspective.

Five MBA students gained unique insight into the spirits and cruise industries this past summer as part of the School’s new Bacardi/Royal Caribbean Cruises Emerging Leaders Program. They participated in a two-company internship that began at spirits giant Bacardi U.S.A. and ended at Royal Caribbean Cruises, one of Bacardi’s largest travel retail customers and the world’s second-largest global cruise company.

The program emerged from a collaboration between the School and two members of the Board of Overseers: Michael Misiorski (MBA ’96), Bacardi U.S.A.’s CFO; and Brian Rice (MBA ’82), Royal Caribbean’s CFO. Students Erica Lynn Durst, Irena Katzarkov, Brett Harbin, Marian Johnson and Wesley McGeorge worked in marketing, sales, finance and strategy at the two corporations.

As their internships ended, the students shared with executives from both companies and BusinessMiami some of the valuable business lessons that can apply across multiple industries:

Data analysis:

• Half the battle is finding and streamlining data, and then making sure it is comparable across products, time periods and demographic groups. Data are often gathered differently based on sales channel, product sizes change, time periods may be inconsistent. Data are often far less comparable than you might expect.

• Distance from the consumer can make data gathering difficult. For instance, most states require that liquor producers use a separate distributor that sells the product to retailers, which then can sell to consumers. Distributors and retailers don’t always gather data in comparable ways.

• Even when you’re closer to the point of sale, as Royal Caribbean is with liquor sales, it can still be difficult to get comparable data from multiple channels.

Marketing:

• Consumers’ perceptions beat industry categorization. What consumers believe to be true about your product will influence their purchases more than how the product is marketed. For example, labeling a type of liquor as “premium” will only go so far if the customer does not see it that way.

• Consumer feedback and surveys are one of the best ways to learn what works and what doesn’t, and can help bring in and keep loyal customers.

• Ambiguities in product labeling and placement can be confusing and turn away customers. This applied to both Bacardi’s spirits products and Royal Caribbean’s online marketing of cruises. Make sure it is clear to your customers what you are trying to sell.

Competition:

• Knowing and studying your competition is one of the most effective ways to ensure you’re putting out the best product. Information can be found everywhere, from public company reports to market analyses to social media. Know what your competitors’ followers are saying on Twitter, Facebook and other outlets.

• Private companies have an advantage when it comes to competitive research. Public companies are required to reveal valuable information in their annual reports, but a private company like Bacardi can keep most of that information under wraps. That makes it harder for the competition to study and track data. By the same token, it makes it difficult to gauge private competitors’ information.

“While our existing internship program has proven itself extremely fruitful, Royal Caribbean was excited to work with another successful, local company to take the program to the next level,” Rice said. Misiorski noted, “We’re going to take what these students have found over the course of a few months and see how the company can be improved and evolve.”

— Diana Jordan
How Larger Boards Benefit nonprofits

The more board members a nonprofit has, the more goals it will have. But that doesn't always decrease the organization's effectiveness. In fact, it has the potential to increase effectiveness, as the nonprofit is able to simultaneously raise more money and spend more on programs — as long as there aren't too many programs being pursued. However, as nonprofits pursue more goals, their executives' pay-performance incentives decline.

That's what Dhananjay "DJ" Nanda, an accounting professor at the School of Business, found in research he conducted with colleagues at the University of Minnesota and Indiana University. The research shows that additional directors bring valuable assets to a nonprofit, along with greater disagreement and dissonance on the board. Nonetheless, their additional assets offset both that dissonance and the greater complexity required for the organization to pursue multiple objectives.

By definition, the boards of nonprofits serve multiple stakeholder interests, including donors, aid recipients and the organization's "community," however that might be defined. Nanda and his colleagues found that a larger board:

- Helps an organization raise and spend more money, because each board member either contributes intangible assets, such as expertise, or helps defray the fixed operating costs with direct donations or fundraising. The exception: health care nonprofits.
- Leads the nonprofit to pursue a greater variety of program activities. In fact, the correlation suggests that each major program activity, on average, is associated with one additional board director.
- Leads to lower managerial pay-performance incentives.
- Leads to more donation revenue.
- Leads to less commercial revenue. This is why health care nonprofits tend to bring in less revenue if their boards are larger.

The research will be published in a forthcoming article in the Journal of Accounting and Economics.

— Rochelle Broder-Singer
new faculty Bring a Wide range of expertise
THE SCHOOL wEl CoMED SevEn FACUlTy THIS FAl l, IN Six DiFFerENT DEPARTMENTS

yongtao guan ▲ was appointed a professor of management science. prior to joining the School, Guan was an associate professor of biostatistics at yale university, where he had been on the faculty since 2006. Guan, who earned his Phd from texas A&M university, specializes in modeling data with correlation such as spatial, recurrent event and longitudinal data. Guan’s research has been widely published in leading academic journals including the Journal of the American Statistical Association, Journal of the Royal Statistical Society, Series B and Biometrika. Guan is a recipient of the prestigious CAREER award from the National Science Foundation and an R01 award from the National Institutes of Health. He has also served as guest editor of Statistics and Its Interface and associate editor of the Annals of Applied Statistics. Guan is returning to UM, where he was an assistant professor of management science from 2003 to 2006.

miguel irapa ▲ joined the School as a visiting professor of economics. Iraola is an assistant professor (on leave) at Mexico’s Centro de Investigación Económica (ITAM), where he has been on the faculty since 2007. Iraola, whose research interests include monetary economics, financial economics, technological change and computable general equilibrium, specializes in macroeconomics and financial economics.

karel kettle ▲ was appointed assistant professor of marketing after earning his PhD from the University of Alberta’s School of Business. Kettle, whose research focuses on how people’s thoughts and behavior are influenced by the interplay between aspects of their self-concept and the situation, specializes in consumer behavior and social psychology, with an emphasis on judgment and decision making.

miguel minutti-meza ▲ joined the School as an assistant professor of accounting after earning his PhD from the University of Toronto’s Rotman School of Management. Minutti-Meza specializes in financial accounting and auditing, and focuses his research on measuring audit quality, applied econometrics and research methodology, internal controls and the Sarbanes-Oxley Act, and valuation of private firms.

gergana todrova ▲ joined the School as an assistant professor of management after earning her PhD from Carnegie Mellon University’s Tepper School of Business. Todorova, whose research interests include team creativity, team cognition and team dynamics, specializes in organizational behavior, innovation management and conflict management.

MeHDl aHa Dme Hr ▲ was appointed an assistant professor of economics. Shadmehr has a PhD in economics from the University of Illinois. He specializes in game theory and political economics, and applies economics methods to study coordination and collective action in uncertain, risky environments. His research addresses a wide range of sociopolitical issues such as protests and revolutions, so-

cial movements, state repression, human rights, censorship and the role of ideology.

CHeiJwec Chua ▲ joins the School as an instructor of management. She is currently completing her dissertation for her PhD in international business at the University of South Carolina’s Moore School of Business. Her research interests include multinational corporation management, institutional theory and institutional work, international human resource management, intercultural communication and negotiation, and post-merger and acquisition integration management.
The American Academy of Management’s Conflict Management Division named a paper co-authored by faculty members Cecily Cooper, associate professor of management, “Most Influential Article” published between 2003 and 2006.

Taking entrepreneurship leadership to Nigeria

Ken Colwell, director of the School’s entrepreneurship programs, was among a group of leading business professionals selected to train young entrepreneurs in Nigeria this past July. The trip was part of the Nigerian youth Entrepreneurs program, sponsored by the U.S. State Department’s Bureau of Cultural and Educational Affairs.

Best paper collaboration

A paper co-authored by faculty members Auj Mehrotra, Arun Sharma and Ram Krishnan won Industrial Marketing Management’s Best paper Award for 2010.

Council for Accountable Advertising

The newly formed Council for Accountable Advertising, in an effort to promote standards for the ad tech industry, named Marianna Makri, associate professor of management, as a member of its academic committee.

Dhananjay “DJ” Nanda, professor of accounting, was a featured speaker at the E-Trade Annual Directions Conference in April.

Best Contribution to Selling

An article co-authored by Run Sharma, a professor of marketing and executive director of the JAE I leadership Institute, earned the Journal of Personal Selling and Sales Management’s Marvin Jolson Award for Best Contribution to Selling and Sales Management practice. The Journal of Retailing also awarded its 2011 Davidson Honorable Mention Award for Best Article to an article he co-authored.

American Statistical Association awarded Howard Gitlow, a professor of management science, status as an Accredited Professional Statistician, a designation only 107 people had earned as of the date of his accreditation.

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Chapters IN NEVER transNamEnt prograrn

John Mezias, associate professor of management, was the program chair for the Academy of Management’s International Management Division 2011 Annual Meeting held in San Antonio, Texas. He will become division chair in 2013.

The American Accounting Association honored Peter Wysocki, an associate professor of accounting, with its 2011 Deloitte Wildman Medal, for research judged to have made the most significant contribution to the advancement of the practice of public accountancy.

School to Host second annual Miami Behavioral Finance Conference

Expert researchers will present new papers and findings from all areas of behavioral finance and economics during the School’s second annual Behavioral Finance Conference, Dec. 15–17. The conference, which is open to both academics and the public, is organized by Alok Kumar, the School’s Gabelli Asset Management Professor of Finance. The program committee is chaired by Campbell R. Harvey, a distinguished scholar in finance at the School. Peter Bossaerts, the William D. Hacker Professor of Economics and Management and professor of finance at the California Institute of Technology, will be the keynote speaker. The conference follows up the School’s successful 2010 conference, which attracted more than 70 academics from universities around the world.
New School of Business Dean Gene Anderson is used to being at the center of transformation and innovation. New programs, new ways of looking at business education and innovative ways of interacting with the business community – these have been hallmarks of Eugene “Gene” Anderson’s 23-year academic career, and he’s brought that perspective to the University of Miami School of Business Administration, where he began his tenure as dean on Aug. 1. He sees a chance to help the School keep a step ahead in a rapidly evolving business world – and to equip students with the skills they need to adapt and succeed in that world. “Business students today need global perspective, multidisciplinary thinking, and an ability to learn quickly from experience and turn ideas into action, and I can’t think of another school in a better position to produce graduates who can do just that,” he says. “The business school has tremendous opportunities to build on its momentum, and to reach out to the rest of the university, reach out to the business community and reach out to connect internationally.”

BY PETER HAAPANIEMI | PHOTOS BY STEVE BOXALL
TAKING CHARGE New School of Business Dean Gene Anderson understands the business community’s evolving needs, and how the School can meet those needs.

By Peter HaaPaniemi

PHotos By steve Boxall
In a way, it’s an ambitious early agenda. But Anderson, who insists that everyone, including students, call him Gene, is well positioned to fulfill it. He brings to the School more than a decade of experience managing change in a consensus-driven academic environment. To capitalize on the opportunities he sees here, he will use the expertise and lessons learned at the University of Michigan’s Stephen M. Ross School of Business, where he spent the first part of his academic career, most recently as senior associate dean for academic affairs. It is a career that has included both teaching and administrative duties—and a chance to navigate through an era of rapid evolution.

Anderson’s ability to effectively respond to change will serve the School of Business well, says Marvin R. Shanken, a member of the School’s Board of Overseers and chairman of M. Shanken Communications. Shanken notes that “at Miami, the program is already strong. But like anywhere, there is always an opportunity to take things to the next level, and I think the Board of Overseers is keenly interested in helping him get the School there.”

As BusinessMiami sat down with Anderson, he was new on the job—and new to Miami. (Anderson and his wife, Sheryl Manning, have a daughter who’s finishing high school in Michigan and a son attending Swarthmore College.) But he already had an idea of the types of things he would like to accomplish. “I do want to see us do more on the international front, more collaboration across the university, and more outreach and partnership with business,” Anderson says. As for the exact path forward, he has “some early ideas, but they are not set in stone. I’m throwing out some provisional thoughts, to see what people think, engaging the community in conversations to see what resonates. I’m also reviewing the programs that are already in place, and listening and learning to find out what people are passionate about. The idea is to identify some areas and themes that we can build around. As a school, you want to pick things that are going to make you distinctive, and that leverage the unique strengths and assets that you have.”

He has zeroed in on a few key strengths. The School’s location, for one, gives it access to the vibrant community of South Florida and, more broadly, Latin America. He also points to existing initiatives, such as the Center for Health Sector Management and Policy, which involves both the business school and the medical school. He notes that in recent
"I do want to see us do more on the international front, more collaboration across the school, and more outreach and partnership with business."

— Dean Gene Anderson

years the School has instituted new advanced-degree programs and been particularly successful in recruiting top faculty. "I hope to keep investing in faculty and intellectual capital," he says. "I'm looking forward to working with the faculty to develop the people we have already, as well as attract great new people, to maintain that momentum that's been built up."

PROFESSOR, RESEARCHER, PROGRAM DEVELOPER

It's an exciting new challenge for Anderson, who had spent his entire post-PhD career at the Ross School, where he began working in 1988. He has a blue-chip academic background, having earned his master's and bachelor's degrees in business from the University of Illinois at Urbana-Champaign and a PhD in marketing and statistics from the University of Chicago's Graduate School of Business. At Michigan, he taught the core marketing course in all of the business school's degree programs. While he recalls "a run-of-the-mill teaching career," the evidence suggests otherwise: he won the Faculty's Teaching Leadership Award and was nominated several times by students for teaching awards.

In 2000, Anderson's career took a significant turn when he was asked to take over the creation of the Ross School's first executive MBA program. His predecessor had started the effort, but Anderson was called on to lead the initiative's actual design, development and launch. It was not a simple assignment. "Michigan was a late-comer to the executive MBA field," Anderson says. "There were already a lot of programs at other schools out there, and some of them had been in place for decades. It was a very established and competitive market, which created some challenges. We had to create something that was truly distinctive and differentiating."

Anderson developed a curriculum specifically for senior managers, with a strong emphasis on leadership development. Being late to the executive MBA field had one benefit: computer-based distance learning was just coming into use at the time, and Anderson and his team took advantage of the latest technologies. "We created a unique format that used a hybrid of distance learning and in-class learning," he says, explaining that while computer-based learning was unusual in a high-level executive MBA program, it fit well with the schedules of the target executives. "They basically needed to take only one day away from work each month, which they found very appealing," he says.

It wasn't long before the Ross School's program achieved a national ranking alongside other, more established programs. For Anderson, the effort provided valuable experience in building programs and driving change and innovation. "Up to that time, I had been a faculty member, worried about teaching my course," he says. "This gave me an opportunity to build a staff, to make things happen, to get involved in everything from the mission to graduation — the whole soup-to-nuts array of activities."

Anderson was hooked, and in the ensuing years he shepherded a number of other changes through at the Ross School. He spearheaded the re-
“Dean Anderson’s impeccable academic background and experience will help the School move forward [and] ensure its top-tiered programs keep their momentum.” — Frances Aldrich Sevilla-Sacasa, executive advisor to the dean

At Michigan, he helped revamp the Nonprofit and Public Management Center, a collaborative venture of the business, social work and public policy schools; create dual-degree programs combining business with education, music and public health; and develop a Master’s of Entrepreneurship degree in partnership with Michigan’s College of Engineering.

At UM, Anderson has a clear opportunity to put that experience to work. LeBlanc says. “One of the things we’ve been doing here is helping the whole of the University become greater than the sum of its parts,” he says. “There are many opportunities here for doing that in the business arena. Business and health. Business and music. Business and law. Business and engineering. Almost everywhere you look there are opportunities, and in some cases existing programs, that involve business collaborating with another field. We think the business school can be an enormous source of leverage in that regard, and I think Gene sees it that way as well. And certainly his prior experience shows both commitment to and a facility with cross-disciplinary, cross-school programs.”

A UNIQUE FOCUS ON EXPERIENTIAL LEARNING
Faculty and students are also excited about Anderson's experience with hands-on learning. He had a leadership role in the Ross School’s well-regarded experiential, action-based learning program, which placed teams of MBA students in companies to tackle real-world consulting challenges. Named the school’s first academic director for action-based learning, he oversaw the program’s partnerships with more than 100 corporations, startups and nongovernmental agencies (NGOs) around the world, with projects involving everything from growth and innovation to sustainability and social enterprise. He later created a similar program for undergraduates.

“It’s no longer enough to just understand the basics of accounting and finance and marketing,” Anderson says. “We have to provide students with opportunities to see how what they are learning applies in practice, to learn real-world critical thinking skills, and to test and develop their leadership skills. We have to give students an understanding of how organizations really work and how things get done in the real world.”

“As an alumnus and a parent of a student, I am pleased to see that [Anderson’s] focus is not just on technical academics but also on really preparing students with the soft skills that are required to be successful in business,” says Brian Rice, executive vice president and CFO of Royal Caribbean Cruises and a member of the School’s Board of Overseers. “He’s interested in teaching students how to think and how to interact. I often see a real distinction in business between those who really succeed and those who tread water, and that focus on the softer skills can be critical in making the difference.”

Anderson expects there to be no treading water. “Both the University and the business school are on a great trajectory,” he says. “Of course, I’m a competitive guy, and I believe that the students we are producing here will continue to be well-prepared — and better prepared than most — to succeed.”
The ninth annual University of Miami Business Plan Competition showcased a range of startups and illustrated how entrepreneurs develop them over time.

By Bob Woods

IN THE EIGHT YEARS since the first University of Miami Business Plan Competition, sponsored by the School of Business Administration, the program has evolved — allowing non-business students to enter, adding prize categories, bringing in more real-world entrepreneurs and venture capitalists as judges.

“We’ve made a conscious effort to up the caliber of the competition,” says Ken Colwell, director of entrepreneurship programs at the School and head of the competition. “Part of that was to focus on investability, on businesses that investors would put their money behind.” That’s reflected not only in the number of winners this year whose ventures are already operating, but also in how the business plans changed from their original inception to the final judging session. “Writing a business plan and entering the competition is a positive,” Colwell says. “Students have to look at the totality of a business and how it operates.” Learning those skills, he adds, is the essence of entrepreneurship. Those who learned them best took home a total of $42,000 at the end of the 2011 competition, which began in fall of 2010 and ended with final judging on April 1.
Jay Hirschfeld found a way to turn his art into a viable business plan.

The January 2009 inauguration of President Barack Obama inspired widespread emotions — and at least one business idea. That it has something to do with graffiti and bikinis is totally beside the point.

“I started shooting with a technique called gigapixel-resolution imaging after seeing it used for a massive panoramic image of the inauguration,” explains Jay Hirschfeld (BS ’09), then a double major at UM in Fine Art Photography and Motion Pictures. That particular digital photography process produces super-high-resolution images — containing 100 times as much data as a 10-megapixel camera — that can be stitched together to create a mosaic of individual shots.

“I was looking at the technology as a way to set myself apart as the first fine artist to work at this resolution,” Hirschfeld says.

An abandoned, graffiti-festooned pumping station in New Jersey provided inspiration for what would eventually become Chiral, a clothing company that uses high-resolution photography for its designs. Hirschfeld shot a 360-degree gigapixel image of the street art, generating a file so large it took him 12 hours to print. He showed the striking image to friends. “One girl said it would look cool on bikinis,” Hirschfeld says, “and then it was ‘down the rabbit hole we go.’” He seized on the idea of applying the image to clothing.

Even with his entrepreneurial zeal, Hirschfeld recognized that he needed help to bring his venture to fruition. Curiosity about the apparel application drew Karen DeNunzio, a Miami-area clothing designer with extensive production know-how, into the project. “She gave me the education I needed on fashion production, as well as contacts with local clothing manufacturers,” Hirschfeld says.

Lending financial, marketing and other business insight was Trevor Cowan (BA ’11). Those collaborators officially formed Chiral LLC in October 2010. (The name, pronounced “KY-ral,” derives from an optical phenomenon in physics.)

That October, then-graduate-student David Lerner (MBA ’10), suggested that the concept be submitted to the Business Plan Competition. That effort began with workshops at The Launch Pad, UM’s entrepreneurial support program. While the finished plan did garner a grand prize, Hirschfeld has continued to develop it.

“Since the competition, when Chiral had two streams of revenue, I’ve come up with about 10 more from conversations with other people,” Hirschfeld says, citing modest sales on the Chiral website of bikinis and board shorts adorned with his graffiti images. He’s also in discussions with several street artists about obtaining rights to their art, and is beginning to offer printing on other types of fabric.

“What Chiral brings to the table is our technology and production process,” he explains.

Chiral has set Hirschfeld apart as an artist, as he wanted, although his entrepreneurial maturation continues. “I think we have a first-to-market advantage over any competitors, technology-wise,” Hirschfeld says. “Beyond that, this project has started to take on a life of its own.”
Getting Tough on Germs
Fighting grime pays off for MicrobeArmour.

A former high school football player, his head coach and dirty gyms were the basic ingredients behind the company that evolved into MicrobeArmour.

The idea for the company was hatched when Zack Hirsch and his former football coach from Shorecrest High School in St. Petersburg, Fla., were working out at local gyms. “All the gyms were really dirty,” recalls Hirsch. During Hirsch’s freshman year at UM, the two collaborated on a business solution to the problem. “That’s when we got into steam-cleaning gyms,” he says. But it wasn’t long before they agreed that steam-cleaning wasn’t a long-term remedy for filthy gyms and individually operated gyms weren’t their best potential customers, and mothballed the venture.

Yet Hirsch couldn’t wipe the filth out of his mind, so to speak, and began researching alternative cleaners. During his sophomore year, “I came across an amazing product, patented by Dow-Corning in 1976, that inhibits the growth of bacteria,” he says. Unlike disinfectants that spot-clean and dissipate, this one keeps working for months. It’s used for cleaning large venues at great expense, a business model Hirsch didn’t see within his purview, so he focused on smaller, more accessible markets. “We moved from targeting gyms to surgical centers,” he says. “That’s where we found the most need, especially because they are required by certification boards to keep their infection rates low.”

Another college sophomore might have had a tough time obtaining a licensing agreement from a multinational corporation, but Hirsch, who majored in entrepreneurship at the School, persisted for months and finally succeeded.

“That coincided with an entrepreneurship class I was taking with Assistant Professor of Management Marc Junkunc,” he says. “We had to describe a business we’d like to start, and he liked this idea.” Hirsch and a classmate, Lianne Landa (BBA ’11), teamed up on the assignment to write a formal business plan.

Meanwhile, Hirsch continued to work with Dow-Corning’s product. After undergoing formal training on how to apply it with an electrostatic spray gun, he did some test cleaning, which helped him and Landa elaborate on the business plan in Colwell’s entrepreneurship class last fall. They focused in particular on licensing the proprietary application system, eventually entering the competition. “We made the plan so much better, because we had a long time working on it together,” Hirsch says, crediting Landa, a senior at the time, for her marketing input. MicrobeArmour was incorporated at the beginning of this year, and since then has cleaned two Miami-area surgical centers and several other facilities. “I’ve been obsessed with this idea for nearly four years,” Hirsch says. “I can’t wait to make it into what I hope it can be, because it’s got great potential.”

CLEAN TEAM Zack Hirsch and Lianne Landa’s plan targets surgical centers — and has the potential to clean up in business.

Gr and Prize — Under Grad Ulate $10,000

CLEAN TEAM Zack Hirsch and Lianne Landa’s plan targets surgical centers — and has the potential to clean up in business.
Electrifying an Ancient Conveyance

E-Tuk puts a charge in Pakistan’s transportation system.

Lahore, Pakistan, teems with a population of 10 million people, many of whom get around by hiring tuk-tuks — three-wheeled, gas-powered versions of ancient rickshaws that are as common there as taxicabs are in New York. They contribute to the air and noise pollution that the government increasingly worries about, along with a nationwide shortage of petroleum products. Meanwhile, tuk-tuk operators and their riders fret over the availability and rising price of gas. There’s hope of alleviating those problems by converting some of the roughly 35,000 tuk-tuks to run on cleaner, cheaper and more plentiful CNG (compressed natural gas). Shahzain Malik (BBA ’11) and Carl Mbao (BsBA ’11) have an even better solution: the all-electric, battery-powered E-Tuk.

Malik was raised in Lahore, the youngest son of a successful businessman whose extended family created Guard Group, Pakistan’s largest automotive parts manufacturer, in 1960. “From the time I was a kid,” Malik recalls, “my grandfather talked about making an entire car, not just parts, and my passion started from there.”

How Malik’s passion led to the launch of E-Tuk is the stuff of entrepreneurial convergence. Malik had been incubating an idea for an internal-combustion-engine car with The Launch Pad when he met Eric Kriss, the co-founder of Bain Capital and an Entrepreneur in Residence at the School at the time — and, coincidentally, the originator of Kriss Motors, a maker of electric cars. “After he educated me about electric cars, I realized how inefficient IC engines are,” Malik says. He quickly switched research-and-development gears. He also enlisted Mbao, an international student from Zambia who has worked in investment banking, to help with the analytics and number-crunching. “I laid out the income statements and projections for earnings,” Mbao says, “so we could determine when the company would turn a profit.”

On trips to Lahore, Malik rode in tuk-tuks and talked to owners, most of them low-income individuals who pay about $1,600 for a gas-powered model or nearly $2,000 for a CNG version, the same estimated cost of an E-Tuk. He extolled the advantages of electricity: the battery can be charged at night, nullifying daytime rationing; over the eight-year lifespan of a tuk-tuk, an electric one will reduce annual expenses by more than half and keep fares in check.

The current plan calls for E-Tuk to be incorporated into the larger family business as a subsidiary. “Our business plan has been like a puzzle, and all the pieces have come together,” Malik says. Indeed, 200 E-Tuks are on their way to Lahore for testing.
Fabiana Claure (DMA ’11) and William Villaverde (DMA ’11) met in his hometown of Havana, Cuba, where both were immersed in music education. Beyond piano lessons, their comprehensive studies featured music theory, music history, ear training and choir. In 2002, they were awarded scholarships to the College of Charleston toward bachelor’s degrees in music. “We got to the first theory class, and they were starting from scratch,” Villaverde says. Adds Claure: “We were going over fundamentals we had learned since we were 8.” But many of the other students lacked that fundamental training.

The couple married in 2004 and continued their music education, ultimately ending up in the doctoral program at UM’s Frost School of Music. They continued to see a lack of pre-college fundamental training among music majors. “We kept asking ourselves, ‘What’s going on?’” Villaverde says. “There is something with pre-college music education in the U.S. that is messed up.”

They discussed the issue at the Music Teachers National Association conference in Albuquerque, N.M., in 2010. “They were trying to create a system for teaching fundamentals to music students before they get to college,” says Villaverde. That’s when he said to his wife, “There’s great potential here for a business.” Spurred on by the music business courses Claure was taking, they developed the basic idea for Superior Academy of Music, which would be staffed with highly qualified faculty. “We’ve always wanted a career that combines performing and teaching,” she says, “so we need to have business tools.”

The couple envisioned SAM providing both teaching and mentoring, helping students understand the audition process and how to look for scholarships to college. They later expanded their idea to accept students who might not want to become professional musicians, yet who value having a strong extracurricular activity on their college applications. “There’s great potential here for a business.” Spurred on by the music business courses Claure was taking, they developed the basic idea for Superior Academy of Music, which would be staffed with highly qualified faculty. “We’ve always wanted a career that combines performing and teaching,” she says, “so we need to have business tools.”

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Their experience teaching both at Frost and at their private studio has granted them some business acumen, as well as an appreciation for the differences between their all-day music education and American students’ routines. “We had to adapt SAM to the realities of life here and how students are committed to other activities,” Claure says.

The pair began work on their business plan at The Launch Pad, a UM entrepreneurial initiative housed through the Toppel Career Center, then refined it for the competition. Using the prize money and contributions from friends and family, they leased space in the Greenery Mall in Miami and opened SAM in late August. “We see ourselves as a Kaplan for music,” Claure says, referring to the giant test-prep company. “We’ll be preparing students for higher degrees.”

Fabiana Claure and William Villaverde hope their idea draws an audience.
MINING AN IN-HOUSE SOURCE

NanoScan extracts technology developed at UM.

True entrepreneurs can glean inspiration from disparate sources. MBA students Spencer Lewin, Dustin Ottemiller and Marc Jacocks found theirs last fall in UM’s Technology Transfer Office, which finds commercial applications for University faculty’s discoveries. At the behest of Marc Junkunc, an assistant professor of management at the School, Ottemiller sifted through reams of patents before finding a potentially revolutionary one for detecting corrosion on ships, aircraft and other big vehicles.

“We met with the inventor, Xiangyang Zhou, an assistant professor in the Department of Mechanical and Aerospace Engineering,” Lewin says, “and went from there.” That meant months of extensive research and discussions with corrosion experts, mechanics and other likely customers before finalizing the business plan for a company they named NanoScan. The company’s novel approach to the $275 billion U.S. business of detecting, preventing and repairing corrosion is to license a two-part system: a proprietary handheld device that easily gets into hard-to-reach places to detect rust and other corrosive elements, and software to analyze test results.

“As the idea grew, we decided that its greatest application is in preventive maintenance, detecting corrosion while vehicles are still in the field,” Lewin says. “We are adding value to companies in the maritime and aviation industries,” Ottemiller adds. “NanoScan is something for mechanics to sell and a way for fleet owners to save money.”

A fraction of that $275 billion is enticing, but the cost of prototypes of the company’s scanner — estimated at $10,000 each — is daunting. “Our plan for now,” Lewin says, “is to start small, produce one device and prove to the market that it works.”

DISHING OUT DAILY DELIGHTS

On the Can is flush with potential.

Andrew Cohen (BBA ’11) imagined becoming a lawyer when he began a summer 2010 internship at a law firm in his hometown of St. Louis. But the experience instead changed his aspirations. “I ended up just filing all day...”
long for eight weeks,” he says. In the process, though, he came up with a better plan. To pass the time, he’d retreat to the men’s room and surf the Web on his cellphone for interesting stuff to read. “That’s where the idea for On the Can came from,” Cohen admits.

The idea was to create entertaining reading material. By August, Cohen was writing a daily email newsletter, filled with his humorous ruminations on sports news, and zapping it to a handful of friends.

“I thought an online newsletter was the best way to get news, because anyone can check their email whenever and wherever they want,” he says. Over the next several months, Cohen and two fellow seniors at the School, Scott Feldman (BBA ’11) and Leila Siddique (BBA ’11), refined the idea and wrote a business plan for the competition.

The newsletter morphed into an aggregation of sports stories from ESPN, Yahoo! and other online sources, to which Cohen started hyper-linking his commentaries. As readership grew, he added an ad-supported website. Future plans call for a blog, a smartphone app and new writers to cover other topics.

Cohen is currently working toward his MBA at Babson College in Massachusetts, but On the Can persists. “It hasn’t peaked at all,” he maintains. “It’s still evolving.”

Other Competition Winners

Paul k. suGrue entrePre neurial Spirit aw ard
FabianaClaure – Superior Academy of Music (see p. 25)

Best written Plan, under Graduate
Valerie Major – Web Care Connect, a social networking application and browser for seniors

Best written Plan, Graduate (tie)
Spencer Lewin, Dustin Ottemiller and Marc Jacocks – nanoScan (see p. 26), and FabianaClaure and William Villaverde – Superior Academy of Music (see p. 25)

Best el evator Pitch, under Graduate
QuinnWorden – PT United (see p. 25)

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uM ciBer (center for international Business education and research) Best Gl oBal Born Plan
Fernando Nin, Raisa Marrero and Gabriela De La Torr – a venture that offers pooled resources for credit, lending and investment groups

Jud GiNg and GuidiNg
The Business Plan Competition culminated with semi-finalist and finalist presentations on March 31 and April 1, but it began in October 2010. Students submitted concept papers, and the best ones were selected to continue in the competition. At every stage, judges’ feedback was crucial to the students, who continued refining their plans – in many cases, incorporating the judges’ feedback even after winning prizes.

heffner fellow
through an endowment set up by william heffner (BBA ’77), three undergraduates each received $4,000 to help offset the cost of participating in an entrepreneurship-related summer internship. Pictured, from left: heffner fellows amy greenfield, sarah bromley and ben schuster, and marc junkune, assistant professor of management and entrepreneurship, who supported the students as they found their internship opportunities on their own – a key requirement of the fellowship.

Competition Judges

Betty Amos (BBA ’73, MBA ’76)
Owner and President, Abkey Companies

Glenn Camche (AB ’80)
Founder, Sondra Roberts

Ruy Chaves
Founder and CEO, Plastrom Sensormatic

Oscar DiVeroli
Founder, Lexard Group

Craig Edelman
Popsycakes

David Epstein
Presidential Capital Partners

Greg Forgatch
Co-founder, eHarmony

Sandy Goldstein (BBA ’81, MBA ’84)
Founder and President, Capsicum LLC

Mike Greenberg
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William G. Heffner (BBA ’77)
Owner and CEO, Agg Rok Materials

Andrew Heitner
Co-founder and Principal, Alcon Partners

Jose Hernandez-Solaun (MBA ’05)
Founder and President, Mango Consulting Group

Hendrik Hesselman
Bernstein Global Wealth Management

Eric Kriss
Founder, Kriss Motors, UM Entrepreneur in Residence

Paul Mansur (BBA ’06)
Founder, Mansur Corp.

David McCombie
Founder, McCombie Group

Robert Newman
Founder and Partner, Greenwood Gulch Ventures

Tom Pfeiffer (AB ’93, MBA ’02)
Private Wealth Management, Goldman Sachs

Rudy Pittaluga (BBA ’81)
Deloitte Financial Advisory

Ken Rader
Founder and CEO, The Cereal Bowl

Orlando Roche
Regional President, Lydian Bank and Trust

Robert Rubin (JD ’84)
CEO, TOPP Group

Mark Sanna
Founder and CEO, Breakthrough Coaching

David Savir (JD ’09, MBA ’09)
Private Wealth Management, Goldman Sachs

Jay Scharer
Founder and Partner, Franklin Street Partners

Omar Soliman (BBA ’04)
Founder and CEO, College Hunks Hauling Junk

Arthur Steier
Founder and CEO, Schumann/Steier

Richard Swedlow
Founder, Condos.com

Rick Tonkinson (MBA ’84, MPA ’85)
Founder, Rick Tonkinson Associates

Vanessa Valera (BBA ’05)
Co-founder, Holstein Housewares; Finance and Marketing Director, Distrivalto USA
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In an increasingly complex business world, mentoring proves to be win-win for all parties involved.

by Rochelle Broder-Singer

Why Mentoring Matters

mentoring has been a part of the workplace for as long as there has even been a workplace. Centuries ago, artisans learned everything from bread making to goldsmithing through apprenticeships, working for scant pay but learning their life’s trade at the knees of older, wiser men. Even hallowed priests, rabbis and Hindu and Buddhist gurus once served as disciples on their way up the religious hierarchy. But in today’s complex business environment, mentoring may be more important than ever, particularly when that relationship occurs between members of the same organization. Research shows it’s an extremely effective way for people to develop new skills, navigate diverse companies and understand how to deal with people and problems. A good mentoring relationship benefits the mentor, the protégée and the overall organization. But, especially for protégées, “mentoring predicts career success,” says Terri Scandura, a professor of management at the School and dean of the UM Graduate School, who has been researching mentoring for more than 20 years. She says that those who receive mentoring perform better, see more salary increases and earn more promotions. Employees on both sides of the relationship have higher job satisfaction, increased loyalty and lower turnover, and mentoring can provide social support that reduces employee stress. “It helps organizations retain a qualified workforce that might go elsewhere,” Scandura notes. It also helps train that workforce — fast. “Organizations are going through a great deal of change, [but] we don’t have time to send everyone to classes all the time,” she adds. “I think mentoring is the most efficient way to train new people, to socialize them to the job.”
Because the benefits of mentoring are so clear, companies have been quick to roll out formal mentoring programs. But these programs are often difficult to set up and execute effectively. “The research on formal mentoring programs has not been that supportive of their effectiveness,” Scandura says. There are many reasons they fail, but there are important steps a company can take to increase the chances of success.

Most important, any mentoring program must have clear buy-in from management, says Linda Neider, a management professor at the School who has studied mentoring and worked with mentoring programs. Both mentors and protégées must devote time and energy to the relationship, and that’s not possible if leadership doesn’t make it clear that the program is important.

“You can have a great plan, but if your company doesn’t buy into it and is not engaged, then it’s not going to be successful,” says Catherine Campbell (AB ’89, MBA ’91), a human resources consultant who has worked with mentoring programs at blue-chip companies. “If the organization doesn’t buy into it, then the mentors are not going to be committed. They’re not going to be engaged and will not give the relationship the attention that it deserves.” That is particularly dangerous, since research shows that having a disengaged mentor is worse for employee morale and retention than not having a mentor at all.

Sometimes companies need to build clear incentives for mentoring into appraisal systems, or at least create some type of reward system, suggest Neider and Scandura. But mandating participation isn’t the way to go. It’s more important that everyone understand the objectives and benefits of the program — and how they are linked to strategic goals within a company or department. People have to want to participate.

“The biggest mistake organizations make with respect to formal mentoring programs is forcing participation,” Neider says. “Formal mentoring programs only work if both parties feel that each can benefit.”

While research shows the benefits of mentoring can be tangible for the protégée, it’s best not to focus goals on career advancement, Scandura says. Advancement can never be guaranteed, and promising that, explicitly or implicitly, is one reason mentoring programs fail. She recommends touting goals that focus on personal development.

Campbell has seen mentoring programs fail because the protégée doesn’t truly understand what mentoring is about. “The role of a mentor is not to get you your next promotion or get you out of trouble,” she says. “A mentor doesn’t remove obstacles for you. A mentor helps you understand how you need to navigate those obstacles.”

With expectations set, companies should measure the program’s progress to demonstrate its value and to ensure participants are spending their time effectively. Both mentor and protégée need to be held responsible.

“There needs to be accountability on both sides,” says Huguette Arza (MBA ’07), senior director of talent management at Burger King Corp. Arza has run mentoring programs and participated in them, and she says a successful program walks a fine line between formal expectations and letting the relationship blossom naturally. “If you make the program itself too structured or too rigid, people’s relationships don’t tend to excel,” she says.

Arza has found that the most successful programs avoid setting a structure for the pair’s interactions, focusing instead on what they can expect from the relationship and the time commitment. In fact, she says, one of the biggest reasons programs fail is that mentoring pairs don’t make enough of a time commitment. While Scandura recommends an hour a week, Arza notes that often isn’t practical. But, she says, the pair should have a formal schedule and set the expectations up front of how often, and how, they want to interact. “You have to have both parties agree that it’s going to be a priority,” she says. “Make it consistent.”

MAKING THE MATCH
Of course, a mentoring relationship won’t be successful unless it’s
NATURAL DEVELOPMENT
Successful programs let relationships flow, says alumna Hugette Arza, Burger King’s senior director of talent management.

Large organizations, however, need a more structured approach to making matches. In that case, it’s important to focus on the protégée’s goals and find a mentor who can best help accomplish them. Scandura recommends building an element of choice into the pairings. “In the end, both the mentor and the mentee have to feel like they initiated the relationship,” Scandura says.

EXPANDING THE MENTORING NETWORK
Mentoring doesn’t just happen in formal programs, of course. In fact, most mentoring relationships exist outside of such programs. That’s a good thing, since the current thinking is that successful people have more than one mentor. “You need different mentors, not just at different points in your life, but for different parts of your life at the same time,” Amat says. That is best accomplished by mining one’s network of contacts and approaching potential mentors directly.

It’s called “multiple mentoring,” and Scandura is studying the topic with John Mezias, an associate professor of management at the School. Helped by a grant from the UM CIBER (Center for International Business Education and Research), they are looking at multiple mentors in the context of workers on international assignments. Expatriate workers typically experience difficulties adjusting to foreign assignments and repatriating when they return. Mezias and Scandura think that multiple mentors may help ease those transitions. That mentor network could include someone back home to keep the expat visible to the main organization, someone in the new location to illuminate the office culture and politics, and someone well versed in the country’s culture. The pair’s research will examine multiple mentoring in the international context by assessing benefits of multiple mentors on expatriate performance and outcomes.

Mezias thinks they’ll find that companies can reap significant benefits from fairly simple measures. “We don’t believe that they’re going to have to do formal mentoring programs,” he says. “With a little bit of help, companies can just encourage people who are going on assignment to use their networks.” In fact, research shows that the most successful mentoring relationships begin in just that manner: an individual seeking out a mentor to serve a clear goal. And whether the relationship is part of a formal program or not, one thing is universal: “It’s ultimately up to the mentee to drive that relationship,” Arza says.

This may be particularly important for women and minorities. Mentors tend to seek out protégées who are similar to themselves and have similar
c omponents of a positive mentoring experience

- **Protégée-driven.** Protégées should define their development needs and make sure they are addressed.
- **Clear, learning-based goals.** “Focus on what the mentee is learning from the relationship, rather than the tangible benefits,” says Professor Terri Scandura.
- **Realistic expectations.** For protégées, understand that a mentor doesn’t guarantee career advancement. For mentors, understand that the relationship is about more than meeting with someone every few months and listening to complaints.
- **Confidentiality.** Both parties must be able to share difficult experiences and knowledge. “With a good mentor, there’s a certain amount of candor, especially when it comes to the political,” Scandura says. “A mentee needs to have the savvy to know what to share with others. And that goes both ways.”
- **Dedicated time, and an agenda.** Scandura recommends setting aside one hour a week to meet; the protégée should have a clear, organized agenda for most meetings.

in depth: mentoring

What goes into a Successful program

- **Clear delineation of program goals and expectations for mentors and protégées**
- **Careful selection and pairing of mentors and protégées**
- **Both mentor and protégée held accountable for the relationship’s success**
- **Recognition for mentors who make a difference**
- **A timeline with a beginning, middle and end, so participants can end the relationship gracefully if it isn’t working**
- **Organizational followup to benchmark the success of individual pairings and develop best practices**
Success Stories: as the School celebrates 20 years of its mentoring program, mentors and protégées share their experiences

A reciprocal relationship
In the end, successful mentoring pairings are reciprocal relationships, and Scandura’s research shows that mentors benefit as well. They value having people in the company who are loyal to them, and can gather important information from protégés, such as what’s going on at other levels of the organization, insights into a younger generation and new perspectives on old problems. Finally, there is the personal satisfaction of leaving a mark on the next generation of managers.

Arza found that her own work as a mentor was a great way to build her network and stay on top of developments in the business. “It’s a very enriching experience,” she says. “You learn a lot from people as a mentor. Sometimes you learn more than the mentees.”

WEB EXCLUSIVES:
• Share your own mentoring success stories, and read more about the relationships profiled here.
• Access Professor Terri Scandura’s simple nine-question method for assessing the success of mentoring relationships.
• Download the full survey of Florida’s women-led businesses.

bus.miami.edu/magazine/mentoring

Charles Foschini (BBA ’87, MBA ’88, JD ’97) credits the businessman who mentored him while he was a UM student for influencing his career path. And for nearly a decade, Foschini, vice chairman of CB Richard Ellis Capital Markets, has done the same for students in the School’s program. “My involvement began as a way to stay engaged with graduating MBA students who may have been a candidate for our firm, and continue to give back to a school that has provided so much to me,” he says.

One protégée in particular brought home the impact that mentors can have. Alexandra Plasencia (BBA ’07, MBA ’11, JD ’11) approached Foschini as an undergraduate. “I typically mentor only MBA candidates, but Alex came to me with a deep interest in my profession, commercial real estate, that showed a maturity beyond her age and studies,” he says.

Plasencia soaked up everything, even eagerly accompanying him to meetings. Like Foschini, she earned her MBA, MBA and JD from UM. She is now corporate counsel for a health care company, MCCI Group Holdings LLC.

“To see the influence I had, unknowingly, on this young woman was profound,” Foschini says.

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High-tech equipment can reduce costs, change an industry, even save lives. But first you have to get people to use it — correctly. Management Science Professor Howard Gitlow explains how “smart bed” technology is moving from innovation to practice.

By Richard Westlund
FOR ORGANIZATIONS

To truly realize the potential of innovative technologies, they must break through the status quo and convince people to change their attitudes and behaviors.

In any industry, human factors play a critical role in technology adoption, and without the right training and preparation, the investment is unlikely to offer the promised returns.

“Just because something is a good idea doesn’t mean it will change people’s behavior,” says Howard Gitlow, a professor of management science and executive director of the School’s Institute for the Study of Quality. For example, he says, it was about 150 years after a Scottish surgeon’s 1753 discovery that limes and lemons could prevent scurvy before vitamin C-rich citrus fruits were regularly carried in British merchant ships.

An expert on quality, statistical analysis and organizational behavior, Gitlow has consulted for such companies as Florida Power & Light, Bell Canada, American Express and Hill-Rom Holdings, giving him a firsthand perspective on deploying technology. “An innovative technology can do many things,” he says. “It can improve performance, reduce costs and contribute to a stronger organizational culture. But that doesn’t happen automatically. You have to address the human side of the equation.”

A good case study involves an innovative hospital “smart bed” developed by Hill-Rom, an Indiana-based manufacturer of health care products. The bed uses sensors to monitor a patient’s condition and movement, sending alerts to nurses’ mobile devices and the nursing station. It automatically tilts to help keep the patient’s lungs clear and adjusts the mattress to avoid bed sores. If a confused or anxious patient tries to get up, the bed summons a nurse, reducing the risk of a serious fall.

In 2009, Hill-Rom engaged Gitlow and a number of his UM colleagues to better understand the relationship between people and technology. For the study, Gitlow collaborated with Steven G. Ullmann, professor of management and director of the School’s Center for Health Sector Management and Policy; as well as David Zambrana, the UM Health System’s chief operating officer and chief nursing officer, and Amy Zuo (MBA ’05), a senior research associate who, like Gitlow, is a Six Sigma Master Black Belt. Together, they studied the pilot implementation of a next-generation smart bed in the 392-bed UM Hospital on the Medical Center campus.

“These beds have the potential to be an important part of the hospital’s diagnostic equipment,” Ullmann says. “They can monitor what the patient is doing without someone watching every moment. … But, as with any new technology, there is a need for training and education to maximize the performance of that investment.”

But because of the product’s complexity and the myriad duties of the nursing staff, Ullmann and Gitlow found that just holding a few training sessions wasn’t enough. “We’re staging the learning process and measuring those results,” Ullmann says. “First, the users have to understand the bed itself and then the technology linking the bed to the nurses and nursing station.”

In fact, one of Gitlow’s recommendations was that Hill-Rom expand its focus from developing and manufacturing the beds and also develop new education and training programs. “We felt the Hill-Rom smart bed was like a musical instrument,” he says. “If used with knowledge, skill and discipline, it will likely provide superior performance. However, if used without knowledge, skill and discipline, it likely will provide performance limited by the expertise of the user.”
“An innovative technology … can improve performance, reduce costs and contribute to a stronger organizational culture. But that doesn’t happen automatically. You have to address the human side of the equation.”

DIFFUSING THE TECHNOLOGY
In his technology-related engagements, Gitlow develops a diffusion strategy to provide the awareness, education, training and “buy-in” for the organization’s leaders, managers and rank-and-file employees. While the specifics vary, Gitlow says there are common issues that must be addressed:

- **Assess the current situation.** One of the faulty assumptions in constructing a diffusion strategy is the “empty vessel” concept. “Don’t assume that the person whose behavior you want to change is just waiting to be filled with your wisdom,” Gitlow says. “You have to think about the current beliefs and behaviors, adjust your approach and fill up the vessel with new information.”

- **Communicate clearly.** Managers should communicate the features, benefits and issues of the new technology in a clear, easily understood manner. “That means avoiding technology jargon and using appropriate wording,” Gitlow says. A communication strategy might involve written materials, videos, group meetings, one-on-one instruction or all of the above, depending on the nature of the technology.
“We felt the Hill-Rom smart bed was like a musical instrument. If used with knowledge, skill and discipline, it will likely provide superior performance.”

- Emphasize the benefits. Since any innovation will run into resistance, it’s important for organizations to continually emphasize the long-term benefits of adoption. “It’s the same principle as going on a diet,” Gitlow says. “You modify your eating and exercise behaviors in order to achieve a long-term health benefit.”
- Find opinion leaders. Every organization has informal leaders whose opinions are valued by other workers. “These are the key people for diffusing the technology,” he explains. They should be given information about the device or application and asked to try it out. After they observe the positive results, they should be encouraged to discuss the innovation with their co-workers. But Gitlow cautions against looking for “innovators” who like new technology in general. “Their responses are not trustworthy when it comes to achieving critical mass,” he says. “You have to be able to convince people who are skeptical about new concepts and uncomfortable with change in general; they are called opinion leaders.”
- Create a reward system. Management can develop a reward system that encourages the adoption of a new technology. This might include perks for attending training sessions and workshops, or public recognition for using the technology appropriately. With the Hill-Rom smart beds, for instance, a nurse might be recognized for responding quickly to an alert and preventing a patient fall, and feel joy in a job well done.
- Stay positive. Many technology implementation projects have a deadline for completion; however, it’s common for implementation schedules to slip. Gitlow says it’s vital for management to be realistic and remain positive, as long as the project continues to move forward. “You don’t want to punish people if they fall behind,” he says. “The authoritarian era of ‘you will use this new system or else’ is over. You have to be persuasive and upbeat in order to motivate people.”

CHANGING THE CULTURE

One of the more intriguing aspects of technology is its ability to change an organizational culture. In a health care setting, for example, the introduction of new monitoring and diagnostic tools can be aligned with a culture of prevention. After all, it’s always better to prevent accidents in the hospital than to have an injured patient who needs treatment.

Like an effective diffusion plan, Gitlow says a conscious effort to create a prevention-oriented culture should also focus on raising awareness, offering rewards and stressing long-term benefits. It’s why many health insurance plans cover annual physicals, since early diagnosis of medical problems can reduce treatment costs.

In the hospital setting, the Hill-Rom smart bed might necessitate a cultural change with regard to traditional practices. For instance, the bed’s sensors don’t work properly if there is more than one sheet on the bed. However, hospital staff sometimes put multiple sheets on a patient’s bed to save time dealing with bowel and bladder issues, a practice that could virtually negate the bed’s advantages. “That multi-sheet practice makes sense with current technology, but not with the smart bed,” Gitlow says. “If a patient gets pneumonia or falls and it costs the hospital about $40,000 to bring the patient back to healthy condition, that’s a far worse outcome for the patient, the hospital and the nursing staff.”

Gitlow and Ullmann believe that hospitals that invest in smart beds can use the force of innovation to make positive changes in their organizational cultures. “Nurses can be rewarded for working with this technology to bring about better outcomes,” Ullmann says. “This contributes toward creating a culture of prevention within the hospital, and can result in improved patient care. In addition, caregivers like to work in a setting that offers high-quality care, so technology can actually be conducive to creating a more attractive workplace.”

Meanwhile, Gitlow and Ullmann are continuing to monitor the Hill-Rom smart beds at UMH and provide their insights to their client. “We also have been able to bring our applied research back into our classroom environment,” Ullmann adds. “Our students get a hands-on perspective, in a case format, of important real-world issues in health care, technology and organizational culture.”

The School of Business professors’ work for Hill-Rom also has implications for the nation’s health care policy, according to Ullmann. “Major changes are underway in Medicare reimbursement and regulatory policies to reduce falls, medication errors and other ‘never events’ in the hospital,” he says. “An effective deployment of smart beds can improve patient safety, helping a hospital deliver higher-quality care while lowering overall costs — three interrelated health care policy objectives.”
Coming Around Again

Prices for new releases of durable goods, like textbooks, go up when there is a robust eBay-like market for used versions.

With college textbooks costing some $1,000 a year, it’s no wonder many students buy their books used and resell them at the end of the semester.

But how do used-product markets for durable goods like textbooks affect the product-upgrade strategies of manufacturers and the pricing strategies of retailers? That’s what Haresh Gurnani, professor of management and Leslie O. Barnes Scholar, wanted to find out.

“Customers blame bookstores, in this case, for raising prices,” Gurnani says. “The bookstores, in turn, point a finger at the publishers. We wanted to determine what the true causes were of frequent product upgrades and increasing prices.”

Gurnani worked with other researchers to evaluate 17 years of sales data for the multibillion-dollar college-textbook industry. Their findings appeared in the May 2010 issue of Marketing Science.

They found that the price of textbooks nearly tripled between 1987 and 2004, rising 6 percent a year — twice the rate of inflation. At the same time, the frequency of new releases accelerated, from a new edition every four or five years to a new edition every three or four years.

Two different kinds of used textbook sales drove those changes: the retail market and peer-to-peer markets such as eBay. There has long been a retail used-product market for textbooks. At the end of the semester, students can sell their books back to the college bookstore, which will resell them at discounted prices. (The average textbook is sold 2.3 times.) Because the retailer sells the used books at a discount, the publisher must keep prices for new books as low as possible to compete.

What’s more, the publisher won’t want to incur the cost of producing a new edition, because it will be difficult to pass that cost on to consumers.

But the peer-to-peer market, where students sell their old books directly through eBay, Amazon and similar channels, has a different effect. With the emergence of that market, the supply of used products became higher and their prices consequently lower. Now, the only way the publisher can compete is to release new editions more frequently, differentiating the new product and, in many cases, essentially forcing students to buy the latest edition. And because it’s costly for publishers to produce new editions, that cost is passed on to consumers.

The upshot is that “a retail used-product market discourages frequent new-product upgrades and curbs price increases for new products,” Gurnani explains. “But a peer-to-peer used-product market does the opposite, driving more frequent new-product releases as well as higher prices.”

Gurnani notes that textbooks are different from many durable goods in that they have what he calls “a renewable set of customers.” Students will buy a book for a course, but after the course is over, they won’t buy the new edition. Come next semester, however, there’s a whole new set of students who repeat the process. That’s different from the market for, say, refrigerators, in which consumers are continually replacing old products with new ones.

Determining whether the findings apply to other durable goods will require further research. In the meantime, we have a better understanding of the impact of certain used-products markets — and insight into why you spent so much on your college textbooks.

Gurnani’s co-researchers were Animesh Animesh, assistant professor of information systems, and Saibal Ray, associate professor of operations management, both of the Desautels Faculty of Management at McGill University; and Shuya Yin, assistant professor of operations and decision technologies at the Paul Merage School of Business at the University of California, Irvine.

— Eric Schoeniger
The first strategy pertains to what companies produce — or overproduce. Manufacturers typically try to gauge demand and then make enough products to meet it. But that’s an imprecise process that often results in oversupply. It doesn’t just apply to complete products — components are also overproduced. For example, let’s say a computer manufacturer ships all its laptops with DVD drives installed. But its business customers seldom have need for those DVD drives. Leaving out the drives would allow that manufacturer to trim significant costs — and become more sustainable in the bargain.

The solution, Sharma says, is build-to-order. “The classic example is Dell,” he explains. “Dell doesn’t build a desktop until the customer places an order. That’s a much more sustainable model. And it has enabled the company to become one of the leading makers of desktops.”

The second strategy targets recycling. Many manufacturers operate complex recycling programs. For example, HP processes 1.5 million tons of recycled electronics every month. Similarly, many product makers remanufacture used products, which requires reverse logistics to get the products back to the factory and then for disassembly, sorting, reassembly and shipping to new customers.

Better product design could significantly reduce the need for that recycling and remanufacturing. For example, when a television stops working, the consumer can’t easily diagnose and repair it, so most people end up simply buying a new one. Built-in diagnostics and a modular design could extend the product’s life.

“We think of recycling as an effective sustainability measure,” Mehrotra says. “But better than recycling is avoiding the need to recycle in the first place.”

The final sustainability strategy is around marketing — both internal and external. The researchers suggest that marketing plays a key role in successful sustainability strategies. On the external side, marketing should promote the benefits and lower costs of customization and build-to-order, while developing the relationships that motivate customers to recycle or repair their products. At the same time, marketing should position the company’s remanufactured products and stimulate demand for them in targeted customer segments. The researchers suggest that marketing departments will also need to help the business focus on supply management that is driven by customer demand.

Internal marketing to employees and stakeholders may be even more important, and more challenging. Moving manufacturing to a demand-driven, build-to-order model requires major changes in business processes, and internal marketing efforts are required to gain buy-in from stakeholders across the company. “Resistance to innovative programs often comes from inside the organization,” Krishnan says. “It’s easier to convince customers of the value of sustainability, say, than to convince employees to change the processes that enable sustainability.”

And the sustainability strategies the researchers promote do require significant change. First is the shift from mass production to mass customization. But just as necessary are design changes to make products more modular. “The only way to achieve build-to-order is to develop products whose components can be easily altered to provide various configurations,” Sharma explains.

For example, in car manufacturing, there’s no easy way to paint one blue car, then one red car, then one yellow car. The Smart Fortwo car, however, is assembled with pre-colored body panels — which allows the car to be built to order. “That kind of innovation can make companies more sustainable,” Sharma concludes. And, possibly, more successful.

— Eric Schoeniger
A L I S O N  M I R M A N

the now-shuttered *News of the World* is accused of breaking a laundry list of privacy laws while it worked to chronicle celebrities’ lives, not the least of which involved hacking personal cellphones. An investigation continues, but one question in particular stands out: Is the tabloid’s owner, billionaire business executive Rupert Murdoch, a celebrity in his own right? The answer, according to Patricia Sánchez Abril, an assistant professor in the School’s department of business law, is that yes, Murdoch would almost certainly be considered in court a public figure, forced to lose some privacy protection of his own if he ever decided to sue for defamation.

“We’ve become a society obsessed with celebrities,” Abril says. “Everyone wants to know their private details, period. But the whole celebrity phenomenon is permeating into the business sector, because more and more businesspeople are leveraging personal fame for economic benefit.”

Abril’s research has found that, with social media and round-the-clock financial news thrusting executives into the limelight, businesspeople have been shedding their skins as private citizens. The CEO as Public Figure extending the concept of celebrity to well-known executives has legal ramifications

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...found that, with social media and round-the-clock financial news thrusting executives into the limelight, businesspeople have been shedding their skins as private citizens. In an article published in 2011 in the *American Business Law Journal*, she argues that the notion might affect the outcomes of any lawsuits they file, such as suits against people seeking to defame them. It’s a phenomenon that will no doubt, she says, discourage executives from fighting these battles in the first place. That’s because, while both celebrities and private figures must prove the defamation defendants did in fact make false and harmful comments, a public person carries the additional burden of having to prove the attack was made with malice.

“Being a public figure can be fatal to a defamation suit,” Abril explains. “It’s hard to prove actual malice. So once you’re a public figure, anyone can say anything, and as long as it is not uttered with malice, you can’t do much about it, legally.”

To determine how many business personalities have departed from the private domain, Abril analyzed more than 100 court cases filed in the past 30 years. She also analyzed sociology sources to investigate, decade by decade, the evolution of celebrity executives, determining that the progression has advanced significantly thanks to social media tools like Twitter, 24-hour news channels such as CNBC and other electronic media. “No matter your business, you need a rapport with the public,” she explains. “Previously this rapport was mediated through advertising, but today that rapport is often mediated by the individual businesspeople themselves. Executives are encouraged to inject themselves into the debate in order to remain relevant. But at the same time, the exact behavior that’s almost mandatory can make individual businesspeople public figures under defamation law.”

The celebrity executive is a highly American phenomenon. That’s thanks to a healthy combination of factors, including the role of industry in American history and society. What’s more, the interest in the earliest executives — people like Andrew Carnegie and John D. Rockefeller — plays directly into the American ideal of the self-made man.

“These are the legends of American capitalism,” Abril says.

The concept of business celebrity grew in the 1980s, with real estate mogul Donald Trump and Chrysler CEO Lee Iacocca. But today, Abril warns, you don’t have to be as big as Apple’s Steve Jobs to be considered a public figure in the eyes of the law. Rather, some regular Tweeters and frequent Facebookers might also lose a little privacy protection.

“Most people think they can limit other people’s ability to talk about them, but that’s not necessarily true,” she says, noting that the standards for defamation were developed in the 1960s. “If you injected yourself in the limelight back then, you did so intentionally. Today, business, reputation and technology have made it so that the lines between private life and public popularity have become blurred.”

— Brett Graff

Fall 2011 BusinessMiami 39
Distinguished speakers at the school of Business

3/9–Marlene santos (BBA ’81, MBA ’83), vice president of customer service at Florida Power & Light, on guiding business philosophies, hosted by Delta Sigma Pi.

4/18–Frankel (MBA ’03), founder of Project Vacant Streets, on embracing community service.

4/19–Executive in Residence John Adam kanas, chairman, president and CEO of BankUnited, on “A Candid Perspective on the Economy.”

4/21–Hayes r oth (AB ’72), chief marketing officer of Landor Associates, on moving through the marketing communications world.

7/27–Birame sock, founder and CEO of Third Solutions, on “Breaking Through: Rising to Leadership as a Woman in a Male-Dominated Industry,” organized by Beta Gamma Sigma South Florida Alumni and the National Association of Women MBAs.

8/18–MBA Orientation Alumni Experience Panel featuring (from left) Tere Blanca (BBA ’81, MBA ’83), CEO, Blanca Commercial Real Estate; patrick Dwyer (MBA ’93), managing director, investments and private wealth advisor, Merrill Lynch Private Banking and Investment Group; Dean Gene Anderson; and patricio rubalcaba (MBA ’00), vice president-strategic partnerships, travel and entertainment industries, MasterCard Worldwide, Latin American & Caribbean Region.

8/30–Charles p. Garcia, CEO of Garcia Trujillo and author of Leadership Lessons of the White House Fellows, on “Leadership Lessons of the White House Fellows: Inspire Others, Achieve Greatness and Find Success in Any Organization,” part of the National Society of Hispanic MBAs Leadership (NSHMB) Series. He is pictured (left-right) with Dean Gene Anderson and Victor cuesta (MBA ’02), veterinary practice consultant at Abbott Laboratories and president emeritus of NSHMB.

8/31–Bill Fisse (BBA ’75, MBA ’77), senior human resources director of Citi Global Transaction Services, on “Building Your Leadership Brand in Times of Change,” part of the undergraduate FIRST Step program.

9/20–Luis r amirez, corporate vice president and CEO, GE Energy Industrial Solutions, GE Energy, and Jose Antonio Hernandez-soleau, SVP, GE Capital, and finance lecturer, on “Multicultural Thinking and the Ability to Translate That to a Global Marketplace.”

9/27–Steve r ikkind, founder of Loud Records and SRC and a major promoter of hip-hop music.


9/27–New York City Accelerating Ambition Tour, featuring Dean Gene Anderson and Thomas J. LeBlanc, University of Miami executive vice president and provost.
Graduate commencement

On May 12, 160 MBA students participated in Spring 2011 commencement ceremonies along with graduate students from around the University. Elizabeth Plater-Zyberk, dean of the School of Architecture and a leader in the New Urbanism architecture movement, delivered the commencement address. Following commencement, the new MBAs and other master's program graduates gathered outside the School of Business to honor top students and faculty.

undergraduate commencement

Nearly 400 School of Business undergraduates joined undergraduates from around UM in commencement ceremonies held May 13. Admiral James Stavridis, commander of the U.S. European Command and NATO supreme allied commander in Europe, gave the commencement keynote address. That same day, the School honored its best and brightest graduating seniors at a special awards ceremony.

Christina R. Farmer was chosen by the University to represent all students as the student commencement speaker. A co-major in legal studies and marketing, she earned the 2011 Leadership in Research Award and was the business law department’s choice as outstanding student. A former student body president, she is currently in law school at University of California, Berkeley. She is pictured here with René Sacasas, business law chair.

Several outstanding graduating seniors were honored at ceremonies around the School. Stephanie Green received the Dean’s Award for Highest Distinction, in Memory of Beatrice Gitlow, which honors the School’s most outstanding senior. Green, who majored in international finance and marketing as well as history, was the featured speaker at the University’s Honors Day Convocation, and now attends Harvard Law School. She is pictured here with Howard Gitlow, professor of management science; the award is named for his mother.

MORE PHOTOS, VIDEO AND STORIES FROM COMMENCEMENT: bus.miami.edu/magazine
e³ summit of the Americas 2011
The School co-hosted the Puerto Rico Chamber of Commerce summit, which focused on education, entrepreneurship and exports, in San Juan on April 7. Interim Dean Frances Sevilla-Sacasa, currently an executive advisor to the dean, was a keynote speaker at the conference, as was Puerto Rico Gov. Luis G. Fortuño-Burset, pictured here with her.

20 under 40
The School of Business sponsored The Miami Herald’s “20 Under 40 Emerging Leaders” list and hosted a reception honoring them on May 9. Pictured here are three of the five alumni who made the list: (from left) Michelle Villalobos (MBA ’04), founder of Mivista Consulting; Susan Wills Amar (BLA ’01, MBA ’04, PhD ’08), a management lecturer at the School and executive director of The Launch Pad; and Josh Yelen (MBA ’05), vice chairman for administration in the Department of Pathology at UM’s Miller School of Medicine.

Welcoming Dean Anderson
(From left) Interim Dean Frances Aldrich Sevilla-Sacasa, who welcomed Dean Gene Anderson to the School with a special reception at her home, with UM President Donna E. Shalala.
straight to the Top

Joseph J. Echevarria, BBA ’78
CEO, Deloitte LLP, Miami

In June, Joe Echevarria became CEO of Deloitte LLP, the U.S. arm of professional services giant Deloitte Touche Tohmatsu Limited (DTTL). It was the next step in a journey that began when he joined the firm right after graduating from the School of Business, and one that has Echevarria leading more than 50,000 Deloitte employees in 90 cities around the U.S. and India, while actively working with policymakers in Washington, D.C.

The top leadership position wasn’t where Echevarria, who recently became chairman of the School’s Board of Overseers, saw himself heading when he joined the firm right out of UM. But he steadily moved through the organization’s leadership ranks, becoming U.S. chief operating officer in 2007. Now, he’s adjusting quickly to his new role. “I was used to making decisions during meetings, but there was always one more person to consult or refer to,” he says. “Now I’m that person.” To become that person, Echevarria says, he has followed a simple leadership philosophy. “Caring about others is one of the most important aspects of this business,” he explains. “People want to be inspired, and putting them first is essential.”

Echevarria’s aspirations when he was an undergraduate at the School of Business were perhaps more modest. A native of the Bronx, he spent his time between the classroom and his work-study program at the University in order to pay his tuition, while maintaining the stellar GPA that would lead to being recruited by Deloitte. Although school came naturally to Echevarria, he says he never took anything for granted. Instead, he set out a deliberate path for post-UM success. “You need to start backward and assess what you have to do to get to where you want to be,” Echevarria says. But, he adds, success is about more than a clear plan — it also requires passion for one’s work and a positive attitude. “I always choose to stay away from saying there are really bad days,” he says. “Some days are just better than others.”

An auditor by profession, Echevarria has held a number of leadership positions at Deloitte, including deputy managing partner and Southeast region audit managing partner. His responsibilities today also include chairing the firm’s executive committee and serving on the DTTL global board and executive committee. He is also on the executive committee of Deloitte’s regional organization for the Americas.

Although his career in recent years has seen him spending lots of time in both New York and Miami, it’s clear that Echevarria’s ties to Miami are strong. He is a member of the Orange Bowl Committee, has served on the Greater Miami Chamber of Commerce’s Board of Governors and Trustees and the Dade Education Fund board, and is a past president of the United Way Young Leaders of Florida. The Association of Latino Professionals in Finance and Accounting named Echevarria Executive of the Year in 2007, and he is a member of the organization’s corporate advisory board.

He has three children with his wife, Ana, an IT consultant for Bacardi. “I’d love to stroll down the University’s beautiful campus after I retire, and probably go to law school or medical school. I always need to be doing something,” he says. “My passions are in Miami, and that’s where I’ll complete the last leg of my journey.”

—Diana Jordan

Echevarria’s interview with CNBC:
bar.miami.edu/magazine
Taking Command

CASSANDRA ELMORE, BBA ’04
CAPTAIN, U.S. ARMY, IRAQ

THE MAP OF CAPT. CASSANDRA ELMORE’S career trajectory during the past seven years is not standard fare for a business school graduate. Elmore, who attended UM on a four-year Army ROTC scholarship, commissioned as a second lieutenant in the U.S. Army when she graduated. Today, she is stationed in Iraq, in command of Bravo Company, 3rd Brigade Special Troops Battalion, responsible for 78 soldiers and more than $9 million worth of equipment. They provide command, control, communications and computer support for more than 3,500 U.S. civilians and soldiers throughout four provinces of Iraq.

“We work seven days a week here, anywhere from eight to 12 hours a day,” she says.

Elmore’s road to a company command in Iraq began after basic training in Fort Gordon, Ga., when she spent three years as a platoon leader in Mannheim, Germany, and deployed for a year to Iraq. She followed that with an 18-month stint in Guam, working as an ROTC recruiter and instructor for the University of Guam. Fort Hood, Texas, was her next stop, where she served as a company commander before returning to Iraq this past February. In April, she took command of Bravo Company.

Elmore’s unit’s mission is to advise and assist the Iraqi Army, and to make adjustments for the upcoming U.S. troop draw-down. She has a full plate, dealing with communication services and traveling throughout the country to check up on the soldiers in her unit, to “make sure that their morale is still good,” she says.

When she took over the company, she was the only female commander in her unit. “It’s like, ‘Wow, that’s interesting,’” Elmore says. But in truth, she hopes her visibility inspires all women in the military to see opportunities at many levels.

Elmore’s father, who retired from the Air Force, encouraged her to consider ROTC as a means to pay for college. In turn, her college career prepared her for the military. “I got to experience all these different cultures at UM, and can relate to that now being in the military,” she says. While the 29-year old captain has not yet decided whether she will make the Army a career (meaning a 20-year commitment), she does know that she will continue her education. “I really harp on that here — for everybody to continue to learn. Technology is constantly changing, and it’s up to us to research that and to keep up with things on our own, because the military can’t always send you to school,” she says. “I’m definitely going to try to go back to school and get my master’s degree.”

— Karen Bennett

CAPTAIN ELMORE
Cassandra Elmore commands the Bravo Company, 3rd Brigade Special Troops Battalion in Iraq.

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— Karen Bennett

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Cassandra Elmore commands the Bravo Company, 3rd Brigade Special Troops Battalion in Iraq.

Karen Bennett
Chief Marketing Officer, Healthcare Financial Management Association
‘intra-preneure’ Goes Within

Joseph Steier III, MBA ’06
President and CEO, Signature Healthcare, Louisville, Ky.

After a long career in hospital administration, E. Joseph Steier III put the business skills he learned while getting his MBA at the School to entrepreneurial use. In 2007, a little more than a year after completing the School’s Executive MBA in Health Sector Management and Policy, he helped lead the purchase of Home Quality Management by Signature HealthCARE, which he had founded. Steier had joined Home Quality Management in 1999 as president, and helped grow what was then a small organization into a large provider of long-term health care.

Today, Signature, which has 73 long-term care facilities in seven states, is one of the largest operators in that industry. As the company has grown, Steier has developed a somewhat unusual business philosophy. “I focus on three key organizational components: ‘intra-preneurship,’ education and spirituality,” says Steier, who is a member of the School’s Health Sector Management and Policy Advisory Board.

Intra-preneurship, Steier explains, is the idea that by encouraging entrepreneurship within his company, his employees — about 12,000 nationwide — will develop their own ideas and techniques. He hopes that will lead to a perpetual launching of new companies based on their innovations. “I hope I’ve influenced my team to be independent thinkers, to be bold and unafraid of ‘failure,’ which is really a matter of perspective anyway,” Steier says.

Learning is the second cornerstone to Steier’s philosophy, and one that he personally lives: he holds a master’s and a doctorate in education from the University of Pennsylvania Graduate School of Education in addition to his MBA. “To remain abreast of the constant change in health care and the world requires both leaders and their team to be multifaceted as well as continuous learners,” he says. “We’ve got to be malleable and learn quickly what works and what doesn’t.”

Twenty-five executives from Signature have also earned MBAs through the School’s program.

The third component — spirituality — was something Steier formalized in 2005, after his son’s bout with a serious illness and a time of deep reflection. “Spirituality is simply the most important thing in life to many people,” he says. “Signature has the largest interfaith spirituality department in corporate America, meeting the spiritual needs of residents, employees and family members through a nondenominational approach.”

Steier began the program in a nursing home with one chaplain. Today there’s a full-time chaplain in every Signature facility. Says Steier: “We don’t water down spirituality, which allows our people to be who they are while respecting others’ faith traditions.” The programs have been so successful that other businesses have contacted Steier to learn how they also might incorporate spirituality into the workplace.

— Stephanie Levin

COURTESY: JOE STEIER

C. RobeRT dRake (bba ’72) operates the gold bug, which markets precious metals, antique estate and custom-made jewelry in the montery, calif., area.
Joseph J. echeva Rria JR. (bba ’78), chairman of the school’s board of overseers, was recently named CEO of deloitte l CP.
qLenn qaRvin (bba ’70) is a motivational speaker for college students, corporations and hospitals.
steven d. qinbsuRq (bba ’73, jd ’76) joined duane morris’s atlanta trial practice group as a partner.
willLama. koenigsbeRq (bba ’77), a u.m trustee and president, CEO and founder of horizon media, was elected to the board of directors of the Partnership at drugfree.org, in addition to his chairmanship of the board’s media exposure committee.
david paRRis (bba ’73) retired after 37 years with deloitte l CP, most recently as a field operations employee and proofreader.
RichaRd a. polLack (bba ’75) was named a certified insolvency and restructuring advisor. he is director in charge of forensic and business valuation services at miami’s berkowitz dick Pollack & brant.
stephen k. tRoy (bba ’75) published Business Biographies: Shaken Not Stirred... With a Twist.

1980s

amy s. brennan (bba ’89) of metl life office cypress found his group was inducted into metl life’s hall of fame for her work in sales and service.
daniel L. qaRdneR (bba ’89) was named ceo of ocean world l ines.
Rich haRPeR (mba ’82) has been the business manager at berkley hall school, a private school in los angeles, for more than two years.
aLisa t. hudak (bba ’82, MPA ’84) was appointed miami-dade county manager, the first woman to hold the position.
noelLa e. moReno (bba ’86, jd ’88), president of the latin builders association, joined the law firm infante zumpano as legal counsel.
Jill moRtOn (bba ’82), a kidney transplant recipient, competed in the world
A transplant games in Sweden, where she won gold medals in tennis and cycling, silver medals in the 800-meter run and the team USA relay 4x400 events, as well as a bronze medal in the 3k run.

Paul Novack (BBA '80) will be inducted into Miami Beach senior high school’s hall of fame for his work as an attorney and as mayor of the town of Surfside, Fla.

Cesar Roiz (MBA '86), market manager for the Dade and East Florida divisions of HCA Physician Services, wrote “what tax Provisions in the health care reform act mean to your Practice,” the feature article in CONNEXION, the journal of the medical groups management association.

Janice PeRonI Raddatz (BBA '85), owner of RD enterprises, authored Riding the Coast: Not a Walk in the Park about her solo horse ride from Mexico to Canada.

Julio E. Rosas (MBA '84) is standard charter’s new CEO for the Americas.

Gary S. Salzman (BBA '85, JD '88) was recognized this year as one of Florida’s I Legal elite, and has been elected president of the George C. Young First Central Florida American Inn of Court.

Scott Spages (BBA '84) is an account manager for Hamilton Medical in Florida.

Elena Del Valle (MBA '84, JD '91) is the editor and podcast host of Cambridge mass-based website rader.com.

Robin D. Wittenstein (MBA '83) was named director and chief operating officer of Penn State Hershey Health System.

1990:

CarLos D. aReLay (BBA '94) is the head manager of women’s shoes and handbags at David Isaac in New York.

Christine M. BetchouRt (BBA '93) is a senior project manager-systems integration and program manager for Motorola Solutions in New York.

CybeLe Chamos (BBA '98) opened her own yoga studio, Cor Po Yoga, in Miami.

ChristopheRemcoleman (BBA '96, MPH '97) was named assistant controller at r Aliworks in New York.

Patrice J. Dwyer (MBA '93), vice president and managing partner in the private wealth services division of Merrill Lynch.

Beatriz “Betty” Llorente is one of the most compassionate criminal defense attorneys you may ever meet. That’s because she can empathize: her father served time in federal prison on criminal conspiracy charges.

“I don’t advocate my dad’s innocence, but I do advocate the process,” says Llorente, 34, who launched her own law firm in Miami in 2004. “It was a lesson for me that it’s important to have a good lawyer. My dad had a good attorney and he got a second chance in life. In Florida, people have died in the electric chair and DNA later proved them innocent.”

After earning her undergraduate degree at the School, Llorente went on to get her law degree at St. Thomas University in Miami Gardens. After working for four years in the Miami-Dade Public Defender’s Office, she launched the Law Offices of Beatriz A. Llorente, P.A. — in part so that she could give her father a job. Besides herself and her father, Llorente’s firm also employs her mother and a part-time.

“My niche is to be very accessible to my clients,” says Llorente, who spends half her time on criminal defense and the other half in real estate law. “I respond to all my clients’ phone calls personally. They even have my cell phone number in case of emergency.”

Offering such personalized client attention requires careful management of the business and of her own time, says Llorente, who admits she overextended herself in the early days of her practice. She has also learned the art of keeping overhead low while still maintaining a professional image.

“Yes, there’s a presentation aspect to your practice, but you don’t need to spend a million dollars on a car,” says Llorente, who is the first Hispanic female president of the Miami Chapter of the Florida Association of Criminal Defense Lawyers. “You need a quality presentation, but you also have to deliver excellent service to your clients.”

To market her firm, Llorente has relied strictly on her reputation to generate word-of-mouth referrals. Transparency is one of her trademarks. “I live in a glass house,” she says. “When my clients tell me, ‘I don’t want to go to jail,’ I understand. I remember what it was like to visit my father in jail. I have a heart for people, and it can be hard to separate that from business because you have to be passionate about everything you do in life. Lacking passion, drive and sensitivity is a recipe for failure.”

— Jennifer LeClaire
in miami, was selected as the no.1 private wealth advisor in Florida by Barron’s magazine.

James b. fatzinger jr (bba ‘99, mba ‘01) was named an ace fellow by the merican council on education. He lives in south carolina.

alf reda rRnandez (mba ‘99) returned from a 16-month assignment in india for a gilent technologies and is now working in the company’s miami supply chain management team.

michael landis (bba ‘92), CFO of ideal image development, was named 2011 CFO of the year by the Tampa Bay Business Journal.

au Rejio Levy (bba ‘91) is cEO of ce north america.

david d. libenson (mba ‘93) is cEO of hospital cima guanacaste in costa rica.

Jose mas (bba ‘92, mba ‘93), CEO of miami-based master, was among the recipients of this year’s ernst & young entrepreneur of the year f lorida award.

Rudolph moise (mba ‘94, JD ‘97), a member of the school’s health sector management and policy advisory board, recently received the william r. butler community service award from the university’s aumni association.

daniel a.quezada (bba ‘97, mba ‘01) is vice president of finance at carencro in miami.

daniel rosenberg (mba ‘91) works at rosenberg financial services and wrote return of the Uchi-Deshi.

david w. schroepfer JR. (mba ‘96) authored the book smartphone wallet, and is a partner at the uciano group.

damar e. thomas (bba ‘96) has been reappointed by the f lorida supreme court to serve his second three-year term on the board of the f lorida bar foundation.


JoRae vassey (mba ‘97) was named general manager for 12 countries in northern l atin america for baxter exporter corp.

Jill a. weitz (mba ‘96) is the vice president of global human resources at ncr services.

2000:

Jose RamaRio (ms ‘03) was named executive vice president of global supply chain, real estate development and franchising, at mcdonald’s.

viJay q. bRJbasI (bba ‘02) joined the fort lauderdale, fl, law firm r oetzl & aadress as an associate attorney.

Matt byrd (bba ‘08), co-founder of select foam, marked the company’s fifth anniversary by opening its first brick-and-mortar store, brickell mattress.

Ileana cRistianson (bba ‘00), an attorney at gray robinson’s miami office, was honored with the dade county bar association’s Pro se clinic award for her pro bono work with l egal aid.

Matt custage (bba ‘08) recently launched the advertising company wrap media group.

Spencer Duke (bba ‘04, mba ‘06) is director of financial land information technology consulting for sunera business consultants in miramar, fl.

cass andR L. Elmore (bba ‘04) took command as an army captain in iraq with the bravo company, 3rd brigade special troops battalion.

Alonso gomez (bba ‘09) is a chief building engineer for hawaiian building maintenance.

Christina Gomez-Pilla (mba ‘03) is corporate manager of hispanic marketing and social media for baptist health south Florida.

James Jones (bba ‘03), a miami heat forward, won this year’s three-point competition at the NBA all-star game festivities.

Bryan Lewis (mba ‘04) is the chief administrative officer at the north carolina department of the state treasurer.

Scott R. Long (mba ‘06) was recently hired as vice president of sales for samsung mobile, managing the s print account.

Maveasha m. morgan (bba ‘03) has written the ultimate guide to British pop culture.

Christopher R. Newson (bba ‘09), co-founder of select foam, marked the company’s fifth anniversary by opening its first brick-and-mortar store, brickell mattress.

A. o’brien (bba ‘04), founder of the advertising agency conversation, was recently named a member of the board of directors for the new york better business bureau.

Tony (Xinyu) peng (mba ‘04) was named chief financial officer of u.s. china mining.

Sylvi peetz (bba ‘02) is a realtor for southern california coastal luxury real estate in newport beach, ca.

Jennifer r philips (bba ‘06) was awarded the outstanding young luminas award at the university’s aumni association awards ceremony.

Matthew puznick (mba ‘06) is a partner in and chief operating officer of the websites houses.com and condos.com.

Gabriel Lepke (bba ‘06, ab ‘06) will be working with citi’s office in São Paulo, brazil.

Reiss (bba ‘06) recently graduated from baileybridge graduate institute with an mba in sustainable business.

Donna Renee Richards (bba ‘05), a former um cheerleader, is currently dancing on a world tour with Shakira.

Bianca Smith (bba ‘06) joined the labor practice of the bohm law group in sacramento, ca.

Lawrence Soto (bba ‘06) is a managing partner at global group consulting services, a firm specializing in waste-to-energy projects in l atin america and the caribbean.

Joseph stern iii (mba ‘06), president and CEO of signature health care and a member of the school’s advisory board to programs in health sector management and policy, was named one of the “100 most influential People in healthcare” by Modern Healthcare in 2011.

Ramon q. vega (bba ‘02, LLMP ‘10) joined a uvea group as corporate counsel.

2010:

Aubrey Swanson (bba ‘10) received the greater miami chamber of commerce’s helping young Professionals engage (hyP) award.

In memo Riam

MoRTquilfoRd died in september, a longtime supporter of the university and the school, was a member of the school’s board of overseers. He was also a member of iron a row and the President’s council, and had served as a um trustee and as president of the um aumni association. Guilford also served as a member of the um citizens board for 17 years.

David heRtz, professor emeritus at um, died in June in miami at the age of 92. Hertz was distinguished Professor of a artificial intelligence, director of the um intelligent computer systems research institute and a professor of management science and law.

Charles omohundo (bba ‘68) died in July in san diego, at the age of 68. He served in the navy during the vietnam war and later went on to earn his mba. He was professor emeritus at san diego city college and during his tenure was honored with the college’s first golden apple award (professor of the year).

Fall 2011 BusinessMiami 47
Sometimes adversity opens the doors to new ideas and opportunities
by T. Kendall Hunt (BBA '65)

The Upside of Being Down

After a long career in the technology industry, T. Kendall “Ken” Hunt (BBA '65) founded VASCO Data Security International, a global software company that provides strong authentication and e-signature solutions for online interactions. Today, Hunt is the chairman and CEO of the Chicago-based company, which conducts business in 110 countries and has a customer base of some 10,000 companies, including major banks, government agencies and health care organizations. Overall, 100 million people worldwide use VASCO credentials to access applications. Hunt is also a member of the School's Board of Overseers and the UM President's Council. Here, he discusses survival in the fast-moving technology arena — where, he says, it pays to adapt and to “never give up.”
I learned that firsthand, and somehow, what I went through was valuable for me. As a college sophomore, I was attending the University of Miami on a football scholarship, and was starting halfback with a reasonably good chance of playing in the pros. Then, on a visit to a firing range, someone accidentally shot me in the leg with an automatic, shattering the bone just above the ankle. It took a year and half to heal, and it put an end to my plans for football. I wasn’t happy, but I decided to reinvent myself as a focused student working toward a business degree and a business career.

My degree did in fact lead me to a good job at IBM, and then to a technology-services corporation, where I eventually headed up a $220 million global division. I was then recruited to take on the CEO role at a company that provided electronic training solutions for corporations. My corporate career was basically one success after another, and the future looked bright — until I was abruptly fired from the CEO position over a difference of opinion with the founder about company direction.

I was 40, fired, and, of course, shocked and worried. But it actually turned out to be a positive, watershed moment for me, because it forced me to examine myself. I decided I was not going to rush into the next job, but instead take time to think about what I wanted to do. Did I really want to work for a big company again? I decided that I didn’t, and that I was attracted to the idea of being an entrepreneur.

I started down that path by launching a small consulting firm that helped corporations automate office business processes. But while I was doing that, I also kept an eye out for a business that I could grow. In 1989, I found a venture capital firm that was participating in several successful startups — and in one that was not so successful. This startup had a security technology that would generate a one-time password for people making network connections. This was before the Internet era, and the venture firm had decided that the market was not ready for this technology. But the startup had some patents and a major customer — a European bank that was essentially an early adopter — and my experience in the technology industry told me that this meant that there was real potential. So I took out a second mortgage on my house and bought the company, and that was the start of VASCO.

Over the next decade, VASCO grew modestly. In some ways, that venture capital firm was right in thinking that this technology was ahead of its time. But the world caught up, and as the Internet took off, so did the need for robust security and authentication. We weathered the technology crash in 2001 and 2002, but then, in 2003, began several years of 42 percent compound annual growth as more and more banks and bank customers went online. We also expanded into areas such as e-government and online gaming, where people wanted to protect their avatars and virtual goods from cyber thieves. But banks remained at the core of our business. Unfortunately, that meant that when the financial industry fell off the cliff in 2008, it dragged us with them.

Once again, it was time to take stock. Certainly, many companies were responding to the downturn by cutting back, but we decided instead to persevere — to take advantage of the profits of the previous several years and invest in strengthening VASCO. While others hunkered down in 2009 and 2010, we hired salespeople in countries where we had had no representatives, such as Turkey, Spain, Chile and India. We also spent more money on research and development to create a cloud-based version of our authentication product, allowing us to sell our software as a service and reach a wider variety of customers. In 2010, we launched 20 new products.

The economic downturn was clearly tough on this industry, and as the recovery started, many of our competitors were in disarray. We felt a little like the last man standing — but we were standing, after all, and we were well positioned to move forward. Since early last year, we’ve seen growth in requests for proposals and our backlog of booked business has more than doubled. For several quarters in a row, I’ve been able to get on earnings calls with analysts and tell them that we’ve just had our strongest quarter ever. So we are definitely back.

In some ways, getting shot in the leg may be one of the most important and most instructive things that ever happened to me. The lesson, I believe, is that there are going to be problems along the way, but don’t give up. You can adapt and learn and keep going. If you have a good plan and are with good people, you can get through the rough spots and come back strong — even in the midst of bad economic times.

— As told to Peter Haapaniemi
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Networking Reception and Faculty Presentation

NOVEMBER 3
Special Presentation by Dean Gene Anderson

DECEMBER 1
Alok Kumar, Gabelli Asset Management Professor of Finance, “Can Smart Investors Beat the Market?”

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Meet the new dean of the UM School of Business Administration, Gene Anderson, at the November 3 information session. Alumni welcome.