TEAM PLAYERS
A look back at Owen's rugby club of the late 90s.

GOLDEN OPPORTUNITIES
Alumni who've found their calling at Vanderbilt.

Diverse Offering
David Ingram, MBA '89, takes his business in new directions.
Qualities over quantity.

By design, we produce a relatively small supply of MBAs. But, each year, our graduates are in very high demand. Perhaps it’s because the companies who hire them prize the qualities they consistently find in our students. As some of the world’s smartest and best-known organizations will tell you, a little Vanderbilt goes a long way.
Being part of a team is second nature to Durégo Lewis. Whether playing football for Vanderbilt in the mid-90s or collaborating with classmates in the Executive MBA program a decade later, he has had plenty of opportunities to work with others toward a common goal. Yet nothing has crystallized the importance of those earlier experiences quite like his current endeavor: launching DURÉGÔ™, a business that is an events facility and a future showroom for exotic cars and other luxury goods.

"By myself there’s no way that I would be sitting here. This company is the result of being around smart people," he says. "I’m only as good as the people on my team."

That team includes a couple of names familiar to the Owen community—Associate Dean of Executive Education Tami Fassinger and Dr. Jim Jirjis, EMBA’06, Assistant Professor of Medicine at Vanderbilt. Both serve on the company’s advisory board. Lewis credits them and his other associates with helping him hone his business concept.

"This company looks nothing like what I thought it’d be, and I’m proud of that. They poked holes in that original business plan—pointing out all the things that could make it weak," he says.

Earlier this year Lewis opened the doors to his 8,400-square-foot events facility in Brentwood, Tenn. Aside from hosting wedding receptions and corporate gatherings, the space will serve, he hopes, as a “mouthpiece for what’s coming two-doors down”—the yet-to-be-opened showroom specializing in exotic cars, including Ferraris, Lamborghinis and Bentleys, exquisite jewelry and hard-to-find luxury handbags.

Among the advantages of selling multiple brands, Lewis explains, is that his company can offer a more robust product selection. "Think of it like a handshake," he says. "Each finger—or brand—is fragile by itself, but when you put them together as a fist, they’re strong."

While Lewis may be referring to a specific business model, perhaps there’s no better analogy for the team he’s assembled at DURÉGÔ. Together they’re stronger than he would have been had he decided to go it alone.
I love my job as Dean, but I love my downright, too. That’s when I dive into reading or jump on my bike sans BlackBerry, it is a time when I can be alone and think. Photography is one of my downtime passions as well. The camera forces me to see things I sometimes wouldn’t see. It helps me focus.

Some time ago my wife, Susan, and I were trekking through Zion National Park in Utah. It’s a beautiful, hilly place with spectacular red rock formations. I had injured my ankle climbing the day before, so while my wife was able to walk down into a deep canyon—which I desperately wanted to photograph—I was stuck waiting on the side of the road. In what seemed to me a very uninteresting place, I thought my morning would be wasted.

I wasn’t too happy about my circumstance that morning, but I was determined to make the most of what appeared to be a bad situation and began to look around me. What was there for me to see? What new opportunity might I find? As I refocused my efforts, I found a perfect but unusual geological formation—one I had studied years ago in college. A long, unlined two strata of rock that had once been joined; seismic pressures had caused a fault and created a beautiful formation. I began to photograph it and lost myself in the moment.

Years later I still have a photo from that day in my office. It reminds me of one of my favorite moments—a moment when I forget about my expectations and looked at the world around me in a new way. It sparked a moment of creativity in me that was unexpected. A bad day turned into a memorable experience.

Likewise, in these uncertain and sometimes maddening times, the students and business leaders who learn to see the world in a different way, to view and embrace challenging times as opportunities and new perspectives, are the ones who will find ways to thrive. The ability to adapt and retool our thinking is hard to teach, but it’s something we can encourage and nurture. It is a lesson for us all, and I keep the photograph before me to remind myself of what opportunities are in front of us if we refocus and look at life through a different lens.

David Engin, who is profiles in this issue, is a great example of a business leader who found a way through a difficult environment by diversifying his entertainment company with the addition of beer distributingships. He’s been an integral part of our Board of Visitors team, serving as chair since its inception. The real-world perspective and involvement of a leader such as David are critical to the way we do and the innovative culture that is Owen’s hallmark.

The fault line in Zion National Park

JIM BRADFORD
Dean, Vanderbilt Owen Graduate School of Management
Ralph Owen Professor of Management
Student team wins human capital case competition

A team of students from the Owen School came in first place at the 2009 National MBA Human Capital Case Competition, hosted by Vanderbilt last fall. The competition included teams from 10 of the top graduate schools nationwide.

The winning team comprised second-year MBA students Joe Parise, Heidi Wallenhoor and Eric Bilbrey, and first-year Kristen Schafer, Lindsey Goldman and Sarah Hultquist.

Prior to the competition, teams received the human capital case and were given a week to analyze the issue and prepare solutions for presentation to a team of judges, including Richard A. Kleinert, Timothy Keenihan, MBA '89, Global Chief Strategy Officer and Executive Vice President of Ipos Loyalty, a market research company. Other co-authors were Bart Lariviere of Ghent University in Belgium and Lerzan Aksoy of Fordham University.

The Frontiers in Service Conference is a leading annual conference on service research and was hosted this year by the Shidler College of Business at the University of Hawaii. The winning presentation best demonstrates how research is applied to real-world situations and problems.

“Because Customers Want to, Need to or Ought to: A Longitudinal Analysis of the Impact of Commitment on Share-of-Wallet” was the title of the team’s presentation. The presentation was co-authored by Owen graduate Timothy Keenihan, MBA '89, Global Chief Strategy Officer and Executive Vice President of Ipos Loyalty, a market research company. Other co-authors were Bart Lariviere of Ghent University in Belgium and Lerzan Aksoy of Fordham University.

The conference was held in Honolulu last fall. Keenihan was part of a research team conducting a case study of AXA in Belgium, titled “Because Customers Want to, Need to or Ought to: A Longitudinal Analysis of the Impact of Commitment on Share-of-Wallet.”

Also co-authoring the presentation was Keenihan’s former student and Owen graduate Timothy Keenihan, MBA '89, Global Chief Strategy Officer and Executive Vice President of Ipos Loyalty, a market research company. Other co-authors were Bart Lariviere of Ghent University in Belgium and Lerzan Aksoy of Fordham University.

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students’ proficiencies in 15 “competitive advantage” competencies. Selected from among nearly 70 used by Korn/Ferry, these 15 are hardest to develop, yet are most likely to lead to high job performance and promotions to leadership positions. Each falls into strategic, operating or personal/interpersonal categories; the experiences and ongoing professional development coaching so students can hone these critical skills and apply them in future career positions.

“Our partnership with the Owen School presents an unprecedented and exciting opportunity for Korn/Ferry to work with future business leaders at the earliest stages of their careers. By applying every tool at our disposal we can help give Vanderbilt MBA students a head start on navigating their futures and positioning themselves against measures currently in use at a corporate level,” says Robert McNabb, Executive Vice President at Korn/Ferry. “We look forward to the possibilities ahead for our respective organizations and the global business community.”

For more details about Owen’s partnership with Korn/Ferry, see the Campus Visit section on page 53.

Students team wins finance competition

A TEAM FROM THE OWEN SCHOOL CAPTURED first place and the grand prize of $5,000 on March 19 in the Rolanette and Berdon Lawrence Finance Case Competition at Tulane’s Freeman School of Business. This is the third time a team from Vanderbilt has won the competition during the past five years.

Team members were second-year MBA students Dan Bryant and Matthew Clemson and first-years Scott O’Connell and Mark McDonald. They competed with teams from Emory, the University of Texas, the University of North Carolina at Chapel Hill, Rice, Washington University at St. Louis, Tulane and the University of South Carolina.

Emory and Texas placed second and third, respectively.

The case focused on the leveraged buy-out of Hertz from Ford Motor Co. by a consortium of three private equity firms. The competitors were given five hours to read the case and prepare a PowerPoint presentation to a panel of four judges who work in investment banking and private equity.

Student team places second in real estate competition

A TEAM OF MBA STUDENTS FROM VANDERBILT’S Owen Graduate School of Management took second place this winter in the University of Texas at Austin National Real Estate Challenge, a prestigious MBA case competition.

The team members were second-year MBA students Peter Kleinberg, Gavin McDowell, Johnny Shaf and Stephen Songy, and first-years Justin Albright and Tim Kilroy. A team from the University of California at Berkeley took first place.

The fictional case was inspired by an actual case: a Goldman Sachs real estate fund’s $400 million acquisition and re-habilitation of the Las Vegas Hilton Hotel and Casino. “We were given three days to work on the case and then submitted our analysis and recommendations,” Songy says. “Then we traveled to Austin to present to a panel of judges comprised of experienced practitioners in the field of real estate, including the key individuals who led the actual deal for Goldman Sachs.”

The Vanderbilt team advanced to the finals for the second time in two years, and won $3,000 for the second place finish. “Given the field of competition, we can be very proud of our students,” says Jacob Sagi, Vanderbilt Financial Markets Research Center Associate Professor of Management.

Appointment of new Dean

JIM BRADFORD WAS REAPPOINTED DEAN OF Vanderbilt Owen Graduate School of Management in December for a five-year term, effective July 1, 2010. “Jim has worked tirelessly over the past five years to promote the Owen School to a variety of external constituencies,” says Richard McCarty, Vice Chancellor for Academic Affairs and Provost, adding that Bradford managed the school through an especially challenging period during the economic downturn. “I look forward to working with Jim … to maintain Owen’s upward trajectory.”

Bradford, who is also the Ralph Owen Professor of Management, was first appointed in March 2005 after serving as Acting Dean for nine months. During his tenure as Dean, Bradford has spearheaded the development and launch of several innovative programs at the school, including the Health Care MBA and master’s degrees in finance and accountancy. Also annual giving to Owen has increased more than 300 percent under his leadership.
Bluegrass Brands

BrandWeek Louisville offers students a practitioner’s perspective on marketing

By Brian Bellinger

The next day we left Nashville and headed north on Interstate 65 to Brown-Forman’s headquarters, where we were treated to lunch in the posh Bourbon Street Cafe. (Perhaps you’re noticing a theme here?) Following a delicious meal, Chief Operating Officer Mark McCullum led a discussion about the company’s global branding efforts and the intricacies of managing the growth of their more than 30 wine and spirits brands, which include the aforementioned Jack Daniel’s, as well as Chambois Liqueur, Finlandia Vodka, Herradura Tequila and Sonoma-Cutrer Wine. This session afforded Owen students the opportunity to interact with an impressive group of marketing and human resources executives. They answered even our toughest questions with aplomb, leaving us with little doubt as to why Brown-Forman remains an industry leader after more than 139 years in business.

Our branding discussion gave way to a tour of the Brown-Forman design center, led by Eric Donninger, VP, Global Brand Director of Design, and then into a discussion about corporate social responsibility— a topic of particular concern for corporations. They answered even our toughest questions with aplomb, leaving us with little doubt as to why Brown-Forman remains an industry leader after more than 139 years in business.

Our branding discussion gave way to a tour of the Brown-Forman design center, led by Eric Donninger, VP, Global Brand Director of Design, and then into a discussion about corporate social responsibility—a topic of particular concern for one of the world’s largest wine and spirits producers. Later that evening we broke into smaller groups and enjoyed some of Brown-Forman’s fine products with the brand managers themselves, talking shop over hors d’oeuvres and cocktails at some of Louisville’s hot spots.

Even our accommodations at the 21C Museum Hotel in downtown Louisville were an exercise in brand excellence. Recently named by Conde Nast Traveler magazine as the highest-ranking American property in its 2010 Gold List of the world’s best places to stay, the 21C is nothing if not unique—part boutique hotel and part contemporary art museum. It’s definitely the place to stay and play in Louisville.

The next morning began with a coach ride to General Electric’s Monogram Experience Center, where the staff of in-house chefs prepared a wonderful spread of breakfast foods, all produced in the center’s demonstration kitchen. The Monogram Experience Center is a veritable kitchen stadium, albeit one designed for product demonstrations rather than site seeing. It, therefore, requires only a half the energy of a traditional water heater. Sounds like a win-win, right? So where’s the challenge? Although it’s certainly cleaner and greener than its competitors, the hybrid is a costlier alternative that requires a certain level of awareness and understanding—no small feat in a product category that hasn’t changed much in several decades. However, given the qualifications and experience of GE’s team, we were left convinced that hybrids are the future—at least for water heaters.

The next stop was the towering, marble-lined headquarters of Humana in downtown Louisville. Founded in 1961, Humana has grown to become one of the nation’s largest publicly traded health-benefits companies. Walking through the expansive halls from the cafeteria to the conference room, I couldn’t help but notice that pedometers nearly outnumbered Blackberries—a reassuring sign that Humana’s employees do indeed take their business seriously on a number of levels.

Continued on page 50
Inside the C-suite

A conversation with Chad Holliday,
Chair of the Board of DuPont

In this first in a series of conversations about leadership, Dean Jim Bradford chatted with Chad Holliday Jr., Chair of the Board of DuPont and Executive in Residence at the Owen School. Holliday is Chairman of the U.S. Council on Competitiveness and a founding member of the International Business Council. He is also the co-author of Walking the Talk, a book that details the business case for sustainable development and corporate responsibility.

JB: You have an engineering background and took an early job right out of school with DuPont. Talk about that job. What was it?

CH: I started here in Nashville as an engineer in a plant. My job was to make that part of the plant more efficient and effective. We were making Dacron. I had no intent to stay with DuPont for a long time or any big company because I thought it would be constraining. My best friend and I had a deal. I was going to work for DuPont for five years, and he was going to work for GE for five years, and then we were going to come back and start this company that we had as a project. I failed on my end.

JB: Did he stay with GE?

CH: No, he started the company. It worked. He did really well.

JB: Talk about your initial aspirations. Did you have some idea of what you wanted to do at DuPont? Was there a specific reason that you went there?

CH: Not really. My aspirations were nothing close to what I was lucky enough to achieve. I saw the guy who was the head of my engineering group. He was this stately guy who had a nice office with a couch. I thought if I could get that before I retired, that would be great. I think it’s pretty hard to know what your aspirations are starting out. It’s just a matter of learning from every job.

JB: Do you remember your first promotion at DuPont?

CH: No, but I remember I’d been working there three months, and they brought us all into a conference room. There were probably 40 of us. They announced that they were going to shut down a big part of the plant and 100 exempt people were going to lose their jobs. I thought, “Hmm, I’m the shortest-service exempt person on this site, so this is probably not good news.” I remember I went to my supervisor and asked, “Does this mean I need to find a new job?” He said, “I don’t think so.” I said, “I can’t deal with ‘I don’t think so,’ “ but it all worked out.

JB: What was your first job managing people?

CH: After being an engineer for about two years, I became a front-line supervisor in a chemical plant running 24/7. I think that was probably the most valuable experience of my life. Even today I think back to the three years I was on shifts managing people and the real-world experiences they were dealing with. I learned a lot from them.

JB: What are some of the things you learned?

CH: People can do so much more than they’re challenged to do by their job description. We often would promote from within, and as a front-line supervisor, I had three people who, I felt, were capable of being promoted. I actually assigned each one of them a book to read and let them report on it, which was a bit unusual. I also would give them different jobs. All three didn’t become supervisors, but they made major progressions. And I found it made a big difference using them to help me with the rest of the team. For example, we decided we would publish a newsletter every night for our employees. Our newsletters were pretty popular. All of those things were, I’m sure, nowhere in the DuPont playbook.

JB: Was there a DuPont playbook? Was there something that told you how to perform this job or manage people?

CH: There was a two-week training course for front-line supervisors that told us all the basic stuff. I’ll never forget that I took the course when professional unions were becoming popular on the West Coast. Afterward we were asked, “What questions do you have?” And I said, “What are you doing to make sure we don’t have a professional
union here at DuPont? It was just an honest question. Well, that was not a good question to ask. Throughout the rest of the day, I was talking to higher and higher levels of management about why I wanted to start a union for engineers. I learned you have to pick your questions carefully.

JB: What did you learn about your management style as you went through this early stage of your career?

CH: I think it’s important to rely on others and reinforce them. There’s no way I wanted to start a union for engineers. I learned you have to pick your questions carefully.

JB: So how do you motivate people? If it’s not about the money, what are the carrots and sticks you use?

CH: I think people stay with an organization because they’re getting development and they like the people they work with. When DuPont moved into Singapore, we found we could not differentiate any of our benefit plans. The government wouldn’t let us do it. At first we thought it was terrible. Then we looked at it more closely and realized it just meant we had to provide a great place to work. Our supervisors had to be very good, and we had to provide better development than the next company. It’s critical that employees grow and develop and that they be treated as a professional part of the organization no matter what their job is. Another good example is when I was at a plant in Charleston, S. C. It was the first big manufacturing role I had—maybe 1,000 people. The plant manager said, “I’ll come see you once a week. I only want to talk about the development of the front-line people.” We’ll talk about that for an hour, and that’s the only time I want to see you.” I heard that and thought, “Yeah, that’s until the first thing goes wrong.” Well, I was there for three years, and those were the only times I ever saw him one-on-one. We would meet every week. We would sit there with the front-line supervisor talking about how we’re going to motivate Joe or Mary.

JB: You mentioned Singapore. When did you first take an international assignment, and how did that come about?

CH: It was in the mid-80s.

JB: You’d been with the company for how long?

CH: I’d been there 15 years. They started talking about the need for an international assignment. I thought it was going to be Geneva, Switzerland. I told my oldest son, “You need to take French because we’re going to Geneva.” When I came home and said, “We’re going to Japan,” the first thing he said was, “Can I drop this French class?” Going to Asia was a big shock, but taking an international assignment was something that my wife and I wanted to do. I think it was really good for the family.

JB: Did you volunteer for that, or did somebody pick you? Did you let it be known that you would take that kind of assignment?

CH: Yes, I let it be known, but I think people probably see those things as a lot more formal and organized than they really are. I was shocked at first when I learned it would be Japan, but I had this rationale as to why they picked me. I’d been to Japan several times, negotiated a couple of joint ventures and built a plant there. I thought, “Oh, that’s pretty logical now that I look at it.” But the people who interviewed me for the job didn’t even know that I’d done those things. It was not as organized as you might think.

JB: What role did you take in Japan?

CH: I was President for DuPont Asia Pacific, so I was responsible for 14 countries.

JB: Did doing business in a different locale change your perspective in any way?

CH: I found out very quickly that people back at corporate headquarters couldn’t help very much because they really didn’t know the issues I was dealing with, and also they were 7,000 miles away in a different time zone. I had to make some tough decisions on my own, so I grew very fast. Also I found that when I couldn’t speak the language in any of the countries I was living in, including Australia—I couldn’t speak the language there either—I really had to rely on the people around me. The key to the
whole thing is developing people and giving them confidence, as opposed to trying to make the call yourself.

**Audience**: I used to work for a large company. When I interviewed for the job, they assessed me to determine how far I would go in the company. What do you think of assessing the potential of employees so early in the process?

**CH**: I would never do something like that. I don’t see how you can make that assessment in the first meeting unless maybe by using stereotypes. We don’t do that at DuPont. As employees gain experience and their drive and abilities are obvious, then you can make a good candidate for the company. When I interviewed for the Audience job, they assessed me to determine my potential early in the hiring process. It would be detrimental. If you get a good label, you no longer offer them development and other opportunities. Employees gain experience and their drive and ability to succeed in that direction. You should surround yourself with people who understand your biases because in that two-tenths of a percent there might be something important that you miss.

**JB**: You’ve talked about assessing others, but leaders have to make an assessment of themselves as well. What have you found that you’re good at and not so good at?

**CH**: I think we all have certain biases. For example, I’m a natural planner. If there is a crisis where you have to come up right now, my mind would want to find a solution that would keep us from sinking. Once I find that solution, I constantly want to improve it. I have to know when to back off my desire to make something better. Another example is that, in making decisions, I really don’t care whether it’s, say, 29.2 or 29.4. Most decisions I make are “yes” or “no” ones. Are we going to do it, or not? At DuPont I hired a chief operating officer who cared a lot about 29.2 or 29.4, and he would force me back in that direction. You should surround yourself with people who understand your biases because in that two-tenths of a percent there might be something important that you miss.

**JB**: Are there others in your life who’ve helped you understand your biases? Maybe your wife? Has she been a good confidante?

**CH**: I think it’s important to keep your spouse or a close friend up to speed on what you’re doing. It’s also important to get feedback from them. If someone is reporting to you, and you’re doing it as a formal way, but in an informal setting, you’re trying to help that person win. I generally start with the assumption that everybody on the team is going to be a winner.

The key to the whole thing is developing people and giving them confidence, as opposed to trying to make the call yourself.

—Chad Holiday

**Audience**: You mentioned teams and developing people. Are there two or three key differentiators—whether it’s personal characteristics or ways in which you approach your work—that have made you as successful as you are?

**CH**: One is not to brag on yourself. You let other people do that if they want to. Also don’t care who gets the credit because, if you don’t care, you can get a lot of things done that way. And as I was saying earlier, you’ve got to say thank you for specific reasons: “This is exactly what you did that made a big difference.” I think public recognition is very important. It’s one thing to do it one-on-one, but if you do it in front of everybody else, that means that you’re going on the line and saying, “I really do think that’s good.” When I was in Japan, someone came to me and said that the administrative assistant I’d been working with was really mad at me. I asked why, and she said that it was because she had a problem and was feeling bad and I hadn’t acknowledged it. I said that she hadn’t told me about the problem, but his response was that I should have been able to recognize it by her demeanor. It was a very serious point, and in retrospect, I should have seen it. She didn’t say a word, but I think it was obvious. She was unhappy because she didn’t want to talk about it. She didn’t want to make the person enough time to solve the problem. You don’t want to jump in and take it away from them.

**Audience**: How do you decide who is a good fit?

**CH**: I would never do something like that. I don’t see how you can make that assessment in the first meeting unless maybe by using stereotypes. We generally start with the assumption that everybody on the team is going to be a winner. One problem that many CEOs have is getting their direct reports to talk frankly with them. How do you overcome this problem?

**CH**: I think everybody has that problem. It has a lot to do with whether or not that person is bringing good news. When I was a plant manager in Delaware, I asked to walk around the plant early in the morning. One time I came upon a machine that was on fire. It was blazing up about three feet. Fortunately it was handled safely, and the fire brigade put it out. Later at our morning meeting, the person responsible for that area said, “We had a puff of smoke last night,” and I said, “In addition to the fire?” After that, word got around, and everybody told it straight. It turned out that the people reporting to him had not told him there was a blaze under that puff of smoke. In a situation like that you can’t tear somebody apart because they don’t know all the details. You have to allow the person enough time to solve the problem. You don’t want to jump in and take it away from them.

**Audience**: What is your view on mentorship?

**CH**: Every time we’ve started a formal mentoring process at DuPont, it’s had minimal results. So it’s much better to create the environment where people are encouraged to seek out others and to help when sought out. In every role I’ve ever had I’ve always looked to people who were willing to help me. I think a lot is in your attitude. If you have the right attitude and it looks like you want help, people will give it to you. If you act like you’re smarter than the next guy, they may not be there for you. When I became CEO, I contacted three other CEOs from outside the company and asked for their advice. They all were happy to do it. I picked people who were very good but who had different styles from mine. I didn’t want to simply reinforce what I had, but to actually learn from them.

**Audience**: How do you find a personal balance in your life?

**CH**: Most jobs I’ve had are so demanding. You could work 18 hours a day, seven days a week. I think it’s important to have other things, be it family or other interests, to balance things out. The same goes for getting enough exercise and sleep. Those may sound silly, but I find that they’re critical.

**Audience**: In my five years of working in the 

**CH**: Every time we’ve started a formal mentoring process at DuPont, it’s had minimal results. It’s much better to create the environment where people are encouraged to seek out others and to help when sought out. In every role I’ve ever had I’ve always looked to people who were willing to help me. I think a lot is in your attitude. If you have the right attitude and it looks like you want help, people will give it to you. If you act like you’re smarter than the next guy, they may not be there for you. When I became CEO, I contacted three other CEOs from outside the company and asked for their advice. They all were happy to do it. I picked people who were very good but who had different styles from mine. I didn’t want to simply reinforce what I had, but to actually learn from them.
IMMediate. I would like to speed all the way to my favorite fast-food restaurant.

I was taken from me. I know the health plan. My wages have been reduced to fund the insurance premium already paid for them.

The same monthly premium as every other employee at my workplace with a family subsidized by my health plan. I pay the blocker and statin drug—all grossly sub- for my lifestyle choices.

What’s worse, I am codependent on my health plan, and they are enabling my unhealthy behavior through the abdication of responsibility for my lifestyle choices.

I start each day with my morning “cocktail” of an ACE inhibitor, beta blocker and statin drug—all grossly subsidized by my health plan. I pay the same monthly premium as every other employee at my workplace with a family health plan. My wages have been reduced to fund the insurance premium behind the scenes, so I never know how much was taken from me. I know the only way to get my money back is to consume the services and drugs. I already paid for them.

It’s ironic that I rarely speed on my way to my favorite fast-food restaurant. The consequence of speeding is real and immediate. I would like to speed and given the opportunity—free of conse- quences—I’d light up my big-block V8 all the way to the drive-through. Let’s take it a step further. What if I purchased auto insurance the way I received health insurance—priced inde- pendently of conduct, with a true premium cost hidden from view that covered all preventive maintenance?

I would drive like a bat out of hell. The insurance also would be so costly that I wouldn’t be able to afford it. But unlike my auto insurance, my health insurance rates are not based on my underlying lifestyle choices, which are the primary determiner of how much health care I’m going to consume. We need to get to a world where I’m held individually accountable for the decisions that I make. If my health insurance was like auto, home or life insurance—meaning it was individually underwritten, used for catastro- phic use only, predicated on my behavioral decisions, and the prepaid consumption was instead funded out of my monthly wages after tax—would I be better off? There is little doubt that the marginal effect would be in the right direction.

Though treating health insurance like auto or life insurance would obvi- ously be controversial, folks would change their behavior in a socially desire- able way. Markets would form, prices would adjust, and demand for health services would change.

Here’s another way to think of the value of basic health “maintenance” being included in a separate prepaid health plan. It would be as if you packed your auto insurance policy with additional insur- ance for oil changes, tire rotations and tune-ups. If those elements were part of your auto insurance policy, it would be much more expensive. I want to do the right thing and make the right decisions to sup- port a rational healthy lifestyle, but I need help.

The current set of incen- tives and subsidies are stacked against me. I need my employer to hold me accountable financially for my slovenly behavior in ways that are currently prohibited by the Employee Retirement Income Security Act. I need the government to remove the preferen- tial tax treatment of employer-provided health benefits that make it rational to consume too much health “insurance” and in forms that support poor con- duct. I need my morning cocktail to be more expensive than salubrious lifestyle choices. I need to save more of my money to fund my health care consump- tion rather than looking for ways to spend other people’s money.

We seem comfortable with saving for and funding our retirement. Few count

Though treating health insurance like auto or life insurance would obviously be controversial, folks would change their behavior in a socially desirable way.

health care needs in large part because of the fact that I have never felt owner- ship and personal responsibility for the liability. This is the true health care cri- sis—a lack of individual ownership and a system that passes the buck.

If we all change our behavior by exer- cising, eating right and taking responsi- bility for our actions, we’re not going to solve the health care crisis. But it would be a clear step in the right direction. It is a step down the path toward a cultural change toward individual accountabil- ity, ownership and responsibility with respect to both our dollars and our deci- sions. It is a move away from spending other people’s money and shifting the burden to others.

Associate Professor of Management Larry Van Horn teaches within the Health Care MBA program at the Owen School.

Larry Van Horn
In safe hands

Increasing safety reporting among medical trainees

According to a recent large-sample study, the extent to which medical residents—physicians in training—are involved in reporting safety incidents is limited, indicating a need for more institutional focus about how, when and where incidents should be reported.

The study was conducted at a major medical center in the Midwest, with the intent to explore whether residents are well-trained in reporting safety incident and the hope that the findings would indicate how to do a better job in the future, says Vanderbilt’s Associate Professor of Management Rangaraj Ramnajam, who co-authored the study with Dr. Lia Logis of Indiana University School of Medicine (IUSM).

Their findings were reported in an article, “Medical Trainees’ Formal and Informal Incident Reporting across a Five-Hospital Academic Medical Center,” which appeared in the January 2010 issue of The Joint Commission Journal on Quality and Patient Safety. Ramnajam applauded IUSM’s desire to understand and improve on incident reporting among medical residents. “The underlying goal of the study is to determine how best to train physicians to become more engaged from the get-go in improving patient safety,” he says.

The good news is that the researchers were able to recommend a number of steps to improve incident reporting by residents—from intensive role modeling by faculty to regularly informing residents about improvements resulting from incident reporting.

However, medical residents often do not know how to file formal reports of safety incidents, which, the researchers point out, are not all medical errors. (Incidents could range from patient care that was not as intended to occurrences that were simply inconsistent with routine.) Further, even when residents did know how to file formal reports, they did so at lower-than-desired rates (38 and 42 percent, respectively, within the two groups surveyed).

On the positive side, the study found that residents frequently discussed safety incidents with peers and some faculty on an informal basis, demonstrating awareness that even small incidents merit attention.

The study involved two online surveys of more than 900 medical residents and fellows as they rotated among five IUSM-affiliated hospitals, including a large community hospital, a university referral hospital with expertise in tertiary care, a well-known children’s hospital, a VA hospital and a public county facility. The study—the largest of its kind—is also among the first to explore whether residents’ reporting behaviors change as they move among hospitals.

Ramnajam says a key way to involve more residents in the process of improving patient safety is for academic training to emphasize and encourage such engagement. At the same time, the study found that residents’ reporting behaviors also seem to be shaped by unique attributes of different hospitals—even within the same academic center. Therefore, individual hospitals must also encourage residents to report incidents and emphasize their roles in improving the whole system. Finally, Ramnajam adds, academic centers need to find a way to talk with hospitals about the specific behaviors that they would especially like to encourage in their residents during rotational training.

“The findings are important in an era of health care reform. While the main impact of better incident reporting by residents will be seen once they move along in their careers and have more responsibility for safe patient care, it will also mean fewer mistakes that can be costly for patient safety and the bottom line,” he says. “Some of the reasons residents don’t report more incidents are mundane. So the proposed solutions are simple, but their long-term effects are potentially profound.”
dency, Sterligov sold everything and moved to the countryside. However, the financial crisis forced him to put on a suit, get in a car and find his way back to Moscow. Today, when not milking his own flour or hatching his turkeys and chickens, he occupies the Russian capital’s newest skyscraper in the trendy Moscow City district. He rented “B” Tower’s entire 26th floor and injected $50 million into the new business.

Sterligov is an economic mastermind who’s helping Russians overcome their country’s lack of financial liquidity. His barter business model has been applied across Russia, particularly in Moscow. It may be the main reason why today, despite economic turmoil, Moscow’s roads get paved and its skyscrapers continue to rise.

Sterligov’s business model may appear confusing, but it’s basically simple. If a provider of goods or services cannot find a client with money, they can offer their product in exchange for other goods or services. Eventually another company—or a whole chain of companies—will bridge the gap, taking the steel and either providing products or services directly to the coal company, or bartering them to the coal company’s eventual benefit. When all is said and done, every player has made a fair exchange, and Sterligov’s business has taken 1 percent of each transaction’s value.

Sterligov’s barter tradition comes not only from medieval history but also from the Soviet Union’s latter days and the early 1990s, when workers wouldn’t get salaries for months or years at a time and had to become creative to feed themselves and their loved ones. Factories paid workers with products, and babushkas from toy factories could be found at train stations exchanging stuffed animals for spoiled cabbage.

Modern Russians have witnessed several financial defaults and were prepared for another crisis. Every Russian family lost its savings in 1991 during the Soviet Union’s implosion. In 1998 the banking crisis swallowed the savings that Russians had accumulated after the painful rebound of the mid-1990s.

As for the current economic conditions, common people in Russia joke that those who weren’t wealthy didn’t lose anything, those who accumulated billions during shady privatizations endured a fair adjustment of their fortunes, and no one became homeless or starved. This black humor comes naturally to Russians. Of course, the same could also be said about their longstanding tradition of barter. And like their humor, it has helped them survive centuries of hardships.

Poaching allowed?
The ethics of lateral hiring

It is generally accepted among business leaders that “poaching” or hiring a competitor’s employees violates an unwritten rule of business and may be unethical. A new research paper concludes that as long as their actions are not deceptive or illegal, companies that intentionally identify, contact and offer employment to a rival firm’s employees are within the bounds of ethical behavior.

In “The Ethics of Lateral Hiring,” which was published in the latest Business Ethics Quarterly, Associate Professor of Management Tim Gardner suggests that the practice of poaching other companies’ employees should be accepted as an open and encouraged form of business competition.

Companies that declare an ethical breach following the loss of an employee to a rival are claiming ownership of employees in a way that hearkens back to feudalism and indentured servitude, says Gardner, who co-authored the paper with Jason Stansbury of Calvin College and David Hart of Brigham Young University.

“When my colleagues and I started this project,” Gardner says, “the first questions we tried to address were: Where did employers get the idea they owned their employees’ energies, efforts and human capital? Why do that line of thinking continue today?”

Based on a review of historical and contemporary accounts of employment relationships, the authors concluded that modern employers don’t generally believe they “own” their employees. But by suggesting, even subtly, that lateral hiring is unethical, employers are misusing ethics to try to prevent rivals from reaping the benefits of educational and training opportunities and owe their current employers more time.

“Another tactic is the so-called ‘gentleman’s agreement’ among firms that discourage lateral hiring. That is not much different from gas stations on the same street corner agreeing to keep the price of gas high,” Gardner says. Informal agreements not to hire each others’ employees benefit the colluding employers to the detriment of the employees. Since the employees are not party to these agreements yet are affected by them, the practice is clearly unethical, the authors say.

Gardner and his colleagues point out such agreements might also be illegal. In June 2009 the U.S. Department of Justice opened an investigation of Google, Yahoo!, Apple, Genentech and others for allegedly agreeing not to target and recruit each other’s employees.
During lean economic times, many business owners look for a lifeboat. In the case of David Ingram, Chairman and President of Ingram Entertainment Inc. (IEI), his came in the form of beer. Or beer distribution, that is. When IEI—a Nashville-based business that distributes DVDs, video games and other home entertainment products—was faced with a challenging marketplace several years ago, he decided to start an entirely new company: DBI Beverage Inc., which now operates beer distributorships in eight different California markets.

By JENNIFER JOHNSTON
Photography by JOHN RUSSELL

DIVERSE OFFERING

David Ingram, MBA '89, takes his business in new directions
In becoming Chairman of DBI, David wasn’t looking to jump ship and abandon the home entertainment business. Instead, he was looking for a way to stay in it. With his feet planted firmly in both companies, he has leveraged each one’s individual strengths to help the other succeed. This willingness to diversify and evolve has enabled DBI to steer through difficult waters and find new revenue streams that have done more than just keep his ship afloat. Today IEI remains the nation’s leading distributor of home entertainment products, and DBI is one of the fastest growing companies in beverage distribution.

The story, however, doesn’t end there. If the ability to diversify and evolve is important in business, David believes it’s equally so for a business school, particularly one as young and as small as Owen. Since 2006 he has served as Chair of Owen’s Board of Visitors, which assists Dean Jim Bradford in determining the strategic direction of the school. In this role David has been a force in encouraging Owen to chart a new, exciting course—much as he has done in business.

Family Ties
It’s little wonder that Owen is an important part of David’s life. Yes, the school has played a key role in his success, but his devotion to Vanderbilt was fostered by his parents long before he ever earned an MBA.

His father, E. Bronson Ingram, former Chairman of the Vanderbilt Board of Trust, built a hugely successful barge entertainment business. Instead, he was looking for a way to stay in it. The company, Ingram Entertainment, became the world’s largest wholesale distributor of home entertainment products, and DBI is one of the fastest growing companies in beverage distribution.

One thing I definitely gleaned from my dad is that in any business, if you’re not growing, you’re dying. —David Ingram

David’s passion for golf continues and is reflected in his office decor. With characteristics modesty he notes, “I liked golf, and I had some ability.” That ability garnered him a spot on the men’s golf team at Duke University, where he earned his undergraduate degree in 1985. He met his future wife, Sarah, when she visited the school as a prospect for the women’s golf team.

“I like to tell people she chose Duke because she met me,” he says with a grin.

After graduation he worked on a $200 million capital campaign in the development office at Duke for a couple of years, partly to be near Sarah while she finished her degree. He played in amateur golf tournaments before he says he realized, “I wasn’t the next Greg Norman or Jack Nicklaus.”

Bronson suggested business school, and David, who found that he enjoyed the quality of life in Nashville, chose Vanderbilt. Sarah was finishing up her undergraduate degree, and he knew they’d both be too busy to spend much time together anyway if he chose to stay at Duke for business school.

At Owen, David demonstrated the personal qualities that became hallmarks of his success in the business world: Clas- matic Jusitne Bodry, MBA’89, Chief Financial Officer of Old Waverly Investments in Memphis, Tenn., watched David use the skills he’d learned from his father and take them to the next level. “David is very serious and good at what he does, but at the same time, he values relationships,” Abston says. “He’s got a far different way of motivating people than his dad. He’s different in ways that comple- ment his abilities. He’s taken his dad’s tal- ents and added to them.”

David is quick to say that his success is largely due to luck and accident of birth. “Everything was given to me,” he says. “I was well aware of the need to make it through high school and college before I was able to take over the family business. My father talked to me about business and we went to business school. I was so busy I wasn’t even sure what I wanted to do with my life.”

Upon graduating from Owen in 1989, he married Sarah and announced that he didn’t want to work for the family business anymore. “My father and I had an interesting discussion. It got pretty tense, but I now understand why it meant so much to him,” he says. “So I came into the family business under duress.”

David took a job as an assistant to the company treasurer, Tom Lunn, because Bronson wanted him to understand the banking side of the business. After they had worked together for some time, Lunn offered David some blunt advice on a long business flight. “He said, ‘David, what do you want to do with your life? I don’t see you getting to the top of this company through the finance area.’”

David appreciated the straightforward advice and Lunn’s suggestion that he would blossom in one of the operating companies. “I had one brother in microcomputer distribution and another in the barge business, so I picked the video side, really because I thought it was the most likely one to go out of business soonest due to chang- ing technology.”

While file sharing and piracy have hurt the video business, the impact has not been nearly as great as in the music business because video file sizes are so much larger. “What’s affected us more is the growth of Walmart and other retailers that deal with studios directly,” David says. Consolidation has decreased competition from video wholesalers as well. “When I started in this

Vandenberg warm connection to his father and take them to the next level. I had one brother in microcomputer distribution and another in the barge business, so I picked the video side, really because I thought it was the most likely one to go out of business soonest due to changing technology. Then it did, that would free me to be on my own,” David recalls. He announced his intentions to his father and started in sales at Ingram Entertainment in 1991.

The next year Bronson cut a deal to buy a large video distributorship, Commotion, located in Des Moines, Iowa. Though it may have had more sense to locate the newly combined company there in Iowa, Bronson moved the headquarters to a city within 30 minutes of Ingram Micro’s campus in Nashville, Tennessee, near Ingram Book Group in La Vergne. He wanted to avoid traveling for board meetings, David says. Still new to the video distribution business, David began by concentrating on building grocery and drugstore sales. “That’s why we were a phenomenon then,” he says. In 1994 a shake-up at the top of the company led to David’s taking over the helm of Ingram Entertainment quite a bit sooner than expected.

He began by integrating the newly merged company more fully, allowing for a new pheno- menon, he says. “It’s very interesting from a culture standpoint when the small fish eat the big fish,” he says.

Just four months after David became President of IEI, his father was diagnosed with cancer and was severely weakened by the treatment. It was a difficult period for the family. Toward the end, the once powerful man was unable to speak. Still, Bronson appeared at board meetings “even when his hair was falling out on his suit,” David remembers. He is proud that his father got to see the success of the family companies before he died in 1995.

With Martha Ingram succeeding her husband as Chair and CEO of Ingram Industries, the family had some decisions to make: At $11 billion, it was one of the largest privately held companies in the United States. First, they decided to take Ingram Micro public, as it was the fastest growing company in the group. The world’s largest wholesale distributor of technology products and services, Micro had sales that exceeded $35 billion in 2007 and currently has a market cap of $2.9 billion. Soon after Micro went public, David, at 33, spun off Ingram Entertainment from Ingram Industries. “It was the biggest risk I’ve taken in my life,” he says. “I’d stake Ingram Micro. I finally had a chance to become my own boss and do my own thing,” he says.

On His Own
Immediately after striking out on his own, David’s video business got “a nice shot in the arm,” he says, with the advent of the DVD format. He credits his own company’s status as the original distributor that launched the DVD format for the studios in seven test markets, he notes. The DVD format gave Hollywood the chance to introduce consumers their favorite movies in a superior format. He hopes some of that momentum will con- tinue with Blu-ray technology today.

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business in 1991, 70 percent of sales went through the wholesale distribution channel. Now it’s less than 10 percent,” he says. The beer distribution business is different. David says, because a retailer, in general, must go through a wholesale distributor to buy alcohol. “So if you’re a Wal-Mart in Northern California, you most likely have to buy Coors Light from us,” he explains. “Flicking beer distribution was the culmination of a concerted effort to look for an industry that would likely undergo consolidation and play to the strengths of our management team.” 

IEI already had a large distribution center in Memphis when David came across Crown Distributing Co., which was losing more than $1 million a year but had the Coors and Pabst distributing rights for the area. Even though a competing Budweiser distributorship had 65 percent of the market share in Memphis, Crown was a way to “get a foot in the door to meet suppliers and show them what we could do with a troubled company,” he says. Lessons learned along the way made David ready when the opportunity arose to buy another beer distributorship in the San Francisco area, where IEI already had a distribution presence.

“We suddenly went from losing money in Memphis to a great distributorship in San Francisco with people we could learn from and with all the supplier relationships we didn’t have,” David says. The company began to expand into other areas of California—Chico, Napa, Sacramento, Stockton, San Jose, Tujcuue and Ukiah—and the Memphis distributorship eventually was sold.

Consolidation in the beer industry has occurred faster than expected, beginning when Miller and Coors formed a U.S.-joint venture in 2007 and Anheuser-Busch teamed with a Belgian company a year later. (See sidebar on opposite page.) In early 2010 Heineken scaled a $5.4 billion deal to buy the beer unit of FEMSA in Mexico, giving the Dutch brewer a huge presence in Latin America. 

The beer business is about market share, David says. It’s important for distributors to get their beers on tap handles in bars, for example, because “bar behavior translates into what happens in stores,” he explains. In stores, what matters the most is having prominent displays and taking up more space in the refrigerated aisles than the competition.

DBI Beverage distributes products from leading beverage suppliers, including MillerCoors, Heineken USA (FEMSA), Crown Imports LLC (Corona), New Belgium Brewing Co., Sierra Nevada Brewing Co., Diageo-Guinness, Pabst Brewing Co., Pyramid Brewing Co., Anchor Brewing Co., Sapporo USA, Mendocino Brewing Co., Deschutes Brewery, Red Bull, Arizona Beverage Co., and Crystal Geyser.

David often tells people that he got into the beverage distribution business because “you can’t digitize beer,” but rough economic times can change beer drinkers’ habits as they tend to move toward cheaper brands. DBI’s diverse selection has helped solve this problem. While some of the cheaper brands that DBI distributes are admittedly less profitable, the company also offers an array of popular craft beers, which, David says, have good margins and sell surprisingly well in these recessionary times. As for IEI, in business historically been countercyclical, with people preferring to rent or buy movies and stay home rather than go out to the more expensive movie theaters in a recession. However, new pressures that leave the wholesale distributor have made the industry much riskier.

“Whether it’s video or beer, there’s a distinct advantage to becoming larger and spreading your fixed costs over more sales. That was a big reason why we got into beer. We wanted to continue to grow and spread our costs between these two companies,” David says.

This arrangement allows DBI to buy services from IEI and share personnel, such as treasury, accounting and human resources staff—in essence making both companies better equipped to face future challenges. Many of the executives echo Justine Brody’s comment about David’s quest to “future-proof” the business, not only for his many loyal employees but also for his two sons, Henry, 14, and Bronson, 12. “David is building a business that he can leave for his children if they want it,” says Bob Webb, Executive Vice President of Purchasing and Operations at IEI. Bob Geistman, IEI’s Senior Vice President of Sales and Marketing, adds, “I’ve been at Ingram for 24 years, more than 17 with David. He has followed his father’s philosophies well. Take care of your associates, and they’ll take care of your business.”

David’s approach to business has made others outside of his organization take notice as well. In working with DBI Beverage, Pete Coors, Chairman of Molson Coors Brewing Co. and MillerCoors, has become well-acquainted with him. “David is a very astute businessman,” he says. “He’s a creative and innovative thinker who is always in search of new ways to improve and grow his business. He’s the type of distributor who understands the importance of execution in business. Continued on page 32

HALF-EMPTY OR HALF-FULL?
Pete Coors discusses the risks and rewards of a consolidating beverage industry

By JENNIFER JOHNSTON
Vanderbilt Business caught up with Pete Coors, Chairman of Molson Coors Brewing Co. and MillerCoors, after he gave a talk last fall at the Owen School about the risks and rewards of a consolidating beverage industry. Coors has a personal connection to Vanderbilt: His daughter Christi is married to Owen alumnus Dave Fizel, MBA ’99, who is profiled on page 48.

Q: Can you give us the 10,000-foot view of the beverage industry?
A: Nothing stands still. The Miller-Coors joint venture and the purchase of Anheuser-Busch by InBev (to create A&B InBev, headquartered in Belgium) are testimony to the rapid changes that have occurred in the industry. The economy is taking its toll as beer industry volumes are projected to be down 2 percent. With few exceptions, imports are down significantly, while craft beers continue to see solid growth (which seems an anomaly in the difficult economy).

Q: What factors drive the industry? What is unique to beverage distribution in particular?
A: The starting point is a consistent product that consumers like and want. Consumers won’t drink lousy beer or beer they perceive as not being consistently good. Advertisers attract customers of other brands to your brands and reinforces that purchase decision. Then, there is no substitute for execution at retail. Beer is a people business, a relationship business. Suppliers are rewarded by outstanding execution with their customers. Beer on the shelf doesn’t just happen without great execution.

Q: Is a downturn good or bad for the beverage industry, and what are the long-term economic impacts? Looking to the future, what (that you can discuss) is on the horizon in terms of possible new directions?
A: Economic downturns are not good for anybody. The beverage sector may be more resilient than other areas of the economy; however brewers, wholesalers and retailers are all impacted negatively during a downturn. As soon as one is hopeful that growth will return eventually, but no one knows when. Maintaining fiscal responsibility while weathering the storm is critical. Q: What are the challenges to the industry in general? How are they different given the recent economic climate?
A: The challenges don’t change with the economy. Yes, there are certain costs that can be cut, and the search for increased productivity occurs at all levels of the distribution chain. However, the fundamentals of high impact execution must be maintained. Also, there is a drive for innovation that is increasingly important to provide consumers new reasons to select your brands.

Pete Coors

Q: David Ingram made the comment that “you can’t digitize beer.” Will the beverage industry be protected for that reason from innovation that might make other industries obsolete? A: New innovations are occurring in the industry all the time. Product innovations are happening all the time. Beer is a perishable product, and there is a constant effort to improve the brewing process to preserve the taste attributes of the beer. However, David is right: Brewers still depend on natural brewing processes to produce beer. Innovations in packaging and distribution and marketing, which can benefit from the digital revolution, are being studied constantly.
Passport to Africa

Dan Proctor, MBA’83, seeks a new challenge in Uganda

By SETH ROBERTSON

Despite the potential dangers involved with such a business, Proctor has embraced the adventure of it. He may not be a thrill seeker in the conventional sense, but he is an entrepreneur. And some might argue that takes just as much courage as any movie hero can muster—especially in the wilds of Africa.

Technological Breakthrough

As a student at the Owen School in the early ’80s, Proctor probably wouldn’t have been mistaken for the person described above; at the time he was neither a pilot nor a seasoned traveler to Africa. Yet one trait had already taken a hold with him: the desire to travel. A few years later, he was the man in the cockpit, duffel bags full of money—thousands of dollars in Ugandan currency that an untold number of bandits would like to get their hands on.

While this may read like a scene out of a Hollywood script, the circumstances were, in fact, very real. The man in the cockpit was Dan Proctor, MBA’83, who was making a cash run for an air charter business he is in discussions with in Uganda. The money he was transporting was payroll for employees at isolated tea farms scattered throughout the country.

Despite the potential dangers involved with such a business, Proctor has embraced the adventure of it. He may not be a thrill seeker in the conventional sense, but he is an entrepreneur. And some might argue that takes just as much courage as any movie hero can muster—especially in the wilds of Africa.

Technology and Services

Proctor earned his pilot’s license last year in anticipation of starting an air charter business in Uganda.

Taking Flight

Africans has had a hold on Proctor ever since he first visited the continent in 1998. That initial trip was to Kenya, a place where his father had done missionary work. Uganda didn’t enter the picture until a few years later, when Proctor’s brother, a missionary himself, settled there. After traveling to visit him, Proctor was hooked.

“Uganda has a lot going for it. It’s a beautiful country,” he says. “And it’s fertile. It’s probably one of the most fertile countries in the world.”

Proctor is hard pressed to say anything negative about the country that he and his wife, Dee Anne, someday plan to call home for six months out of the year. Yes, he admits, there’s corruption in Uganda. And yes, there’s risk, too. However, he says, “When you get into areas where there’s some risk, that’s usually where the opportunities are.”

In fact the main thing that gave Proctor pause about moving to Uganda is the same thing that gave him a reason to stay: the poor road system. Most of the roads are unpaved, he says, and some are treacherous—not only because of the
Alumni who’ve found their calling at Vanderbilt
By PAMELA COYLE

As much as the Owen School is known for preparing its graduates for business careers around the globe, it may come as a surprise just how many of them work within walking distance of Management Hall. Vanderbilt University employs about 100 Owen alumni in various capacities—from finance to hospital administration to development and alumni relations—and their efforts have helped cement the university’s reputation not only as a leading academic institution, but as a highly regarded employer, too. In 2009 Vanderbilt earned a top 20 ranking among national universities from U.S. News & World Report and became the first university ever to be named among the Fortune 100 Best Companies to Work For. The Owen alumni who work at Vanderbilt all have their own reasons for being there, as illustrated in the profiles that follow, but a common sentiment links them together: Whether newcomers or longtime veterans, they all say their Owen education gave them a better appreciation for the university’s mission and the tools to bring that mission to life.

CONSUELA KNOX

CONSUELA KNOX ENTERED OWEN AFTER FOUR YEARS as an industrial engineer at a Delphi auto parts plant in Alabama. She had expected to stay within operations management and perhaps shift to another industry, but instead she remained at Owen, where she’s now Senior Associate Director and Diversity Recruiting Manager of MBA Admissions. She also manages her department’s hiring process.

At Delphi, Knox worked on cycle-time improvements and other efficiency measures, which gave her a glimpse into human resources since her ideas often resulted in job losses. At Owen, she took HR electives and discovered a strong passion for the field. Strategic Alignment of Human Capital was among her favorite courses, though Advanced Spreadsheets provided training she still uses almost every day.

Creative use of spreadsheets has helped Knox streamline how data on each Owen applicant is entered, imported and updated. The school receives about 1,000 applications for 180 spots each year. “When you think about an admissions process, it’s an operation,” she says. “You want to be able to get decisions faster.”

From September to November each year, Knox spends 50 percent of her time on the road, interviewing applicants to help build the next MBA class. Diversity is defined broadly—industry, geography, ethnicity, public/private/nonprofit, etc.—to foster a culture in which students can stretch and thrive. “I like helping people, and there is a lot of fulfillment in the job,” she says. “I like working for a highly regarded university.”

There is always something new—new people, new discoveries. There is a never-ending search for knowledge. I am privileged to be in constant interaction with smart people who challenge me to excel.”
Bonnie Parker, EMBA’06

A recession, with its slipping stock market and effects on university endowments, is not an easy time to be a financial voice of the Provost’s Office, but Bonnie Parker tapped into her new training immediately.

“I think what I learned at Owen is not to panic when faced with seemingly overwhelming situations. With so much being thrown at you, it can be intense. You have to go with the flow and manage things,” she says. “One of the things our office tries to do is stay calm and always remain focused on the long-term vision of the university.”

Vanderbilt is weathering the financial storm better than many other big universities, and Parker’s job is to lead by example and keep focused on the university’s mission. As Financial Manager for Academic Affairs, she has fiscal oversight of Vanderbilt University Law School, Divinity School and Owen. The Executive MBA program improved Parker’s ability to absorb information, quickly parse it and get to the points that matter—a crucial skill, whether in the corporate world or academia.

The Vanderbilt environment suits Parker well. She has been at the university since 2002, after almost a decade in the private sector, and is now working toward a master of liberal arts and science at Vanderbilt. “Business is all about the bottom line, but Vanderbilt is about so much more,” she says. “It has balance. … It feels more holistic, not dog-eat-dog corporate.”

Bonnie Parker, EMBA’06
Betty Price, EMBA’90

If Betty Price does her job effectively, few people inside or outside Vanderbilt take notice. She says that’s the way it should be. As Deputy Vice Chancellor for Finance and Controller, Price is a key strategic component in the massive enterprise that is Vanderbilt, but she and her team are backstage players. “You could say that we are some of Vanderbilt’s most enthusiastic and dedicated anonymous supporters,” she says.

Much transpires backstage, and a down economy only multiplies the challenges. Price is the go-to person for Vice Chancellor for Finance and Chief Financial Officer Brett Sweet; she oversees the Offices of Financial Affairs, Financial Information Systems, and Procurement and Disbursement Services. Management of Vanderbilt’s $1.2 billion debt portfolio and $600 million working capital portfolio is part of her job, too. When Price arrived at Vanderbilt as Associate Controller in 1986, her strength was financial reporting. Earlier, at KPMG, she was an audit manager for Vanderbilt, stationed in Kirkland Hall’s then dark, moldy basement, where she recalls working “with calculators at card tables that wobbled.”

The Executive MBA program gave her the bigger picture she’d been missing. “I had a narrow focus in the world of public accounting, and I knew I needed to broaden my awareness of basic leadership principles, marketing and operations,” she says.

Returning to school renewed Price’s appreciation of stresses students face and the importance of faculty sabbaticals. She received world-class training in strategic planning, organizational effectiveness and working toward shared goals. “There is no doubt,” she says, “I became a better boss, a better leader after going through the Owen School.”

IN THE NEWS

Headsline from Around the World

Corporate Antagonism Goes Public, Custom Education Bridges Gaps, Bolts from the Blue

 Prescription for Job Blues

Health care is one of the few bright spots in an otherwise dismal job picture for B-school grads, and reform has the potential to make it brighter still. Part of the reason health care attracts MBAs is that it’s such a mess. The impetus for health care reform in the first place was high-cost, ineffective treatments, and millions of uninsured Americans. Jeff Freude, a second-year student in the Health Care MBA program at the Owen School, believes an aging population requiring more care, a financially challenged Medicare system, and ever-rising costs make health care one of the greatest challenges facing the American people.

BusinessWeek, Feb. 8, 2010

 Corporate Antagonism Goes Public

Companies facing difficult negotiations are now taking the backroom debates into the public eye, using advertising and other publicity to generate pressure. “Customarily these kinds of decisions are business decisions that we can make rationally,” says David Owens, Clinical Professor of Management. But the narrative businesses are using now “evokes an emotional response,” he says. “It makes business a drama.”


 Custom Education Bridges Gaps

When Cisco Systems wanted to ramp up its health care sales, the company’s account managers needed a crash course in medicine to explain and answer questions about the new products. The company opted to train its managers through a customized education program from the Owen School. The focus on such customized programs has boosted revenue for Owen: Its custom programs earned the school 20 percent more in 2009 than in 2008. In addition to the sort of training Cisco asked for, clients are also attending the school to learn how to cope with competition or grab market share at a time when many of their competitors are facing challenges, says Dean Jim Bradford.


Bolts from the Blue

Social entrepreneurs have used the Internet to help artisans from remote regions earn a living wage selling their wares all over the world. Jim Schorr, Clinical Professor of Management, is involved with one such project, called Mekong Blue, which supports silk weavers in Cambodia. His students will help draw up a marketing plan for Mekong Blue next semester as a class project. Schorr says similar online stores like eBay’s World of Good have had success appealing to consumers.


B U S I N E S S W E E K
For Tom Clock, MBA’98, it all clicked as he watched his colleagues drink beer out of a football boot and sing rugby songs with soldiers. Clock and his mates from Owen’s fledgling rugby team—a winless squad of variable composition—had carooled to Fort Campbell, Ky., to take on a team from the 101st Airborne. It was a match that a surrealist might have envisioned: an outfit of future MBAs that even some of its own members described as “ragtag” versus the legendary outfit that refused to surrender Bastogne during the Battle of the Bulge. In other words, it should have been no match at all.

Although the Army team won, the B-schoolers from Vanderbilt played competitively. Afterwards they joined the victors in a universal rugby ritual of post-game beer. The 101st also introduced the Owen team to another ritual: singing songs with lyrics that all of the participants interviewed for this story declined to quote.

“It was with those [Airborne] guys that I think we crystallized our identity,” says Clock, Founder and President of the consulting firm Clockwork Inc. “Hanging out with them, we became a team.”

Only a few months before, he would not have imagined that he’d see his classmates banging heads and bodies on a rugby pitch, much less tackling the U.S. Army. But on that day in 1998, he recalls, “All of a sudden it became more than Accounting 101 for me. I realized that these are the guys I’m going to block and tackle for. I had been calling to set up matches all over the state just to get us experience, but it wasn’t until Fort Campbell that it felt bigger than the school.”

Clock wasn’t alone. Over the course of that year and beyond, other participants came to regard the rugby squad as something both transcendent of and yet quintessentially Owen. And as they became surprisingly successful, in the minds of many players the team also became something else: a symbol for the little school that could not only take on the big boys of the B-school world but take them down hard.
SEC schools and teams throughout the region. Underwood, Managing Director at Goldman Sachs, says soon after that, “Tom [Clock] came up with the idea of a business-school team. It was really cool and connected with the with the idea of a business-school team, which competed against other teams not only from across the United States but also from Europe, Canada and Australia. For Clock, the opportunity to compete in that event, against schools that at the time were better known and much larger than Owen, was irresistible.

“At the end of my first year,” Clock recalls, “I invited all the guys from the business school to come out and run around. We probably had about 20 who came. That made me think we could put together a team, and the guys were favorable to the idea of competing at Duke.” Anyone who liked to run and hit was invited to join, including students from other Vanderbilt schools. No rugby experience was necessary. Size was a bonus. “They kind of shamed me into joining,” remembers Brent Turner, MBA’99, Executive Vice President of Call Products for Marchex, a performance marketing firm in Seattle. “If you had any kind of athletic ability and didn’t play, you were a wimp.” After his first practice Turner was hooked. “I enjoyed the roughhousing nature of it,” he says. “I liked the fact that rugby involves both brute force and finesse.”

Luckily there was no shortage of players who could deliver brute force. Walton Smith, MBA’99, as recalled by several of his former teammates, was a small mountain who had played on the offensive line for Brown University’s football team. Sam Brown, MS’98, who played inside center, had also played college football. “He was 5-foot-10 and weighed around 230 and ran with passion,” Turner says. “It was observably unpleasant for opponents to tackle him. In one game at the Duke tournament, I could hear guys on the other team saying, ‘Oh no,’ when he got the ball.” But whatever benefits the Old Boys may have gained from the size of some of their players were offset by the size of their squad. With a pool of barely 20 players, few substitutes were available to field the necessary 15 for a “side,” especially when players were injured or fatigued. And fatigue wasn’t hard to come by. “You do the equivalent of a squat and then run for 15 meters, and then you do it again and again for 40 minutes,” Turner says.

Under Clock’s direction, the fledgling team practiced on Tuesday and Thursday evenings on fields across the street from Vanderbilt’s Student Recreation Center, and then played games on Saturdays. It was a significant commitment of 5–10 hours a week on top of the players’ academic work.

But for the new converts to the game, the effort was worth it, both as outlet and opportunity. “When you were stressed out from school and then got slammed to the ground 40 or 50 times, the stress didn’t matter so much after that,” Turner says.

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Tom Barr, MBA’98, Vice President of Global Coffee at Starbucks Cof- fee Co., had never played rugby before trying out for the team. For the experience he felt was educational. "At the time it was our only sports team at Owen, and it brought together people from different friend groups," he says. The diversity, camaraderie and commitment of the players helped make a fan of Martin Geisel, Dean of the Owen School at the time. Geisel, who had come to Vanderbilt in 1987, was both a mentor and a friend to the students. For him, says his wife, Kathy, students were the most impor- tant part of the school. "Marty was one of the guys," says Peter Veruki, Owen’s Director of Corporate Relations. "He’d drink beer with students, take them to the old Bluegrass Inn or SATCO. He was accessible, and there was nothing pompous about him. Geisel also cherished the diversity of the Owen community and readily supported new student initiatives, such as the Global Food Festival, which began during his tenure.

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THE RIGHT PLACE

When Connie Ritter, MBA’80, was trying to decide which job offer to accept in anticipation of her graduation from Owen, she got some career advice that she has never forgotten. In her typical analytical fashion, she had created a matrix with factors that she thought should enter into her consideration, but Professor of Management Germain Böer told her to throw it away. “He said, ‘When you find the right company, you’ll know it in the pit of your stomach,’” she recalls. “And you know what? He was absolutely correct. I got an offer to talk with Exxon soon after that, and I knew then that it was the right place for me.”

The right place indeed. Almost 30 years later Ritter is still happily employed at ExxonMobil. Over that time she has held a variety of financial management positions within the company, including stints with the chemical and oil and gas operations in Houston and a copper mining venture in Chile. “I know it seems old-fashioned to young people today, but one of my goals coming out of school was to be able to do a lot of different things under one corporate umbrella, and ExxonMobil has given me that opportunity,” she says. Since 2006, Ritter has served in a senior leadership role as the Global Planning and Development Manager for the Controller’s Department in Dallas. In this role she is responsible for both personnel development and strategic planning. The two sides of the job have allowed her to exercise different skill sets: a hands-on, operational approach for personnel development and a more thoughtful, big-picture approach for strategic planning. The latter has been particularly gratifying for her because, in some sense, she has realized a lifelong dream in the process.

“When I came out of Owen, one of the objectives on my resume was to do strategic planning, but at that time I didn’t have a clue what that meant,” she says. “Now, when I sit in my office and stare out the window, I think, ‘I’m actually doing what I thought it was I wanted to do when I was 25.’”

— Seth Robertson

BOLD VENTURES

In a way the timing couldn’t have been worse. Just when Kathy Harris, MBA’85, was making the jump from an 11-year career in investment banking to a small venture capital firm specializing in Internet startups, the dot-com bubble burst. “I started the exact month that everything began to unravel,” she recalls. “It was fun while it lasted.”

As uncertain as those days were, the experience gave Harris a taste for a career that she has relished ever since. Today she is a Partner at Noro-Mosely Partners (NMP), an Atlanta-based venture capital firm that invests in early-stage and early-growth-stage companies in the technology, health care and tech-enabled business services industries. When she’s not working on the business development efforts across these industries, she’s involved in NMP’s health care practice, which represents half of the firm’s investing activity.

“It’s addictive to meet energetic entrepreneurs and see new business models on a daily basis,” she says. “We’re exposed to the latest and greatest technologies and health care delivery systems being introduced. And I get to dissect what works and what doesn’t—which makes a management team effective and what doesn’t.”

Harris credits Owen with giving her the skills to make these tough decisions. Certainly her concentration in finance has helped, but she admits her emphasis in human resources management has paid the most surprising dividends. “I didn’t appreciate how helpful the HR focus would be,” she says. “So much of our business today is based on assessing management talent—just understanding the psyche of leadership and what it takes to build and motivate a team.”

Beyond the courses, though, she acknowledges that Owen has played an even greater role in terms of the relationships she has built. “I still do business with people I met 25 years ago,” she says. “I think that’s what the Owen network and reputation can bring to a young person just starting out.”

— Seth Robertson
**ABSORBING EXPERIENCE**

**Y94**

The Internet essentially has enabled instant marketing,” says Mike Janes, MBA’94, CEO and Co-founder of FanSnap, a Web-based business that provides an optimized search through hundreds of ticket-purchasing options for sports, concerts and theater events.

“Historically marketers would learn about customers through research. Now you can make changes and see instantly how customers react.”

After stints with FedEx, Apple and StubHub, Janes helped launch FanSnap in Palo Alto, Calif., in 2007. The company came about, he says, “because we saw an opportunity to improve the ticket-finding experience.” Janes is a firm believer that nothing is a substitute for the marketing value of a great product.

“One of the recurring things in my career is an incredible focus on getting the product right,” he says. “The best customer acquisition model you can have is an amazing product because satisfied customers will repeat and tell all their friends. Conversely, unhappy customers, who would traditionally tell seven of their friends, now can tell a million people through the Internet.”

His understanding of the customer comes from the fact that he is an admitted event junkie. “My experience and my passions intersect totally, which is part of what has made this so much fun,” he says. “We are our own biggest supporters. There’s no better way to assure quality than to eat your own dog food.”

The importance of combining marketing basics and adaptability in a time of revolutions in technology and presentation is something he learned from his Owen experience. He points to an address that former Dean Sam Richmond gave to incoming students. “He said, ‘The first thing I want to tell you is everything we teach you is going to be obsolete five years from now. It’s not about the specifics. We are here to teach you how to be efficient absorbers of experience,’” Janes recalls. “I’ll never forget that, and he was absolutely correct.”

— Rob Simbeck

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**CityOwen Recap**

The CityOwen program is led by alumni around the country and provides value through networking opportunities, updates on the school and featured faculty or staff presentations. The program also helps strengthen the relationship between Owen and local communities in areas such as recruitment.

**Atlanta**

Aug. 14, 2009
CityOwen Atlanta was launched at this inaugural golf outing, which included Larry Van Horn, Associate Professor of Management.

**California**

Jan. 21, 2010
A wine tasting, sponsored by Kimberly Jackson, MBA’01, President of JAX Vineyards, was held in San Francisco.

**Denver**

May 7, 2009
CityOwen Denver was launched at this inaugural gathering.

**Dallas/Fort Worth**

Sept. 22, 2009
CityOwen Dallas/Fort Worth was launched at this inaugural gathering.

**Nashville**

Oct. 16, 2009
Guest speaker John Brock, Chairman and CEO of Coca-Cola Enterprises, discussed his company’s corporate responsibility and sustainability program.

**Washington, D.C.**

Launching soon!
If you’re interested in launching a CityOwen group where you live, please contact Alumni Relations at (615) 322-7409.

*Special thanks to First Tennessee for sponsoring CityOwen Nashville.
**LABEL CONSCIOUS**

If you shop for wine or spirits at your local supermarket or big box store, you very well may come across the handiwork of Dave Ficeli, MBA’99, in the near future. His Denver-based company, PL360 Beverage Partners, is focused on building both its own premium alcohol brands and premium, private-label brands owned by the top 60 retail chains in the country.

Ficeli, who serves as CEO and Vice President of Marketing, and business partner Robert Falvo have developed a distinctive reverse-sell model, which begins with retailer demand instead of pushing the products themselves. They first create a brand strategy with the retailer’s input and then work backwards, partnering with others to supply the alcohol and design the labels to fit that particular strategy. As reflected in the company’s name, the idea is to take a 360-degree approach to the marketplace.

“It’s not just about pretty labels. We look at every aspect of a consumer’s needs and wants—beyond the demographics and scan data,” Ficeli explains. “We try to connect with very specific consumer groups in a meaningful, emotive way.”

As much as he enjoys working in the wine and spirits industry, Ficeli is quick to dispel the romantic notions most people might associate with it. “The business I know is not a walk through the vineyard. It’s a street fight,” he says. “I’m attracted to it because it brings creativity, analytics and strategy together with execution and gut feeling. You’ve got to make a lot of decisions with limited information—stuff you learn in business school.”

As for his own B-school experience, Ficeli acknowledges that he would not be enjoying his current success were it not for the support he has received from former classmates and professors. “I can honestly tell you,” he says, “outside of getting married and having a child, enrolling at Owen is the best decision I’ve ever made.”

—Seth Robertson

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With OwenConnect—our online directory for alumni—it’s easier than ever to remain an active part of this vibrant place.

- Update and maintain your online directory profile
- Easily find classmates and alumni with the robust search functionality
- Submit and view class notes (promotions, family news and educational updates)
- Access career resources (resume and job postings, career counseling and assessments)
- Discover articles, podcasts, faculty research and current Owen news
Kudos to Our International Alumni

From Peru to Turkey to India, Owen alumni around the world supported the Admissions team’s efforts at more than 80 B-school fairs this past fall. These alumni have played an important role in raising support from other Owen graduates, relaying market-specific information that might improve recruiting strategy, hosting applicant gatherings, and, at times, representing the program at fairs without the presence of an admissions officer. The Admissions team would like to thank the following alumni for their participation and support.

India
Alfan Cambourzaz, EMBA’07
Avinash Chandran, MBA’08
Aksh Goyal, MBA’07
Ajay Gupta, MBA’03
Ganesh Jain, MBA’98
Sudha Devi, MBA’97
Amol Mangra, MBA’01
Manish Mudgal, MBA’03
Japan
Shigeru Aono, MBA’95
Yasuhiko Aono, MBA’99
Masaaki Morimoto, MBA’07
Kazuki Osuni, MBA’05
Tamu Osumi, MBA’09
Sanuki Watanabe, MBA’07
Peru
Marlene Marento Silva, MBA’08
South Korea
KyuSun Lee, MBA’07
Byunggon (Marvin) Park, MBA’07
Taiwan
Chihwai Chang, MBA’92
Yong-Chul (Steve) Lin, MBA’07
Yi-Pei (Amy) Lu, MBA’09
Turkey
Dilek Zeren Özde, MBA’95
Yasuhiko Aono (left), Shigeru Aono, Satoshi Watanabe and Talbata Osumi

If you would like to volunteer your time, please contact the Admissions office at admission@owen.vanderbilt.edu.

How will you make a difference?

The alumni above have chosen to add value to Owen in meaningful ways that best fit their needs. Whether you choose to help recruit new students, hire Owen graduates, speak to classes, mentor students, lead a local alumni chapter, host an alumni event, support the school financially or attend a class reunion, your active connection to Owen ensures the school’s continued success and growth. Learn more about how you can make a difference at owenalumni.com.

VANDERBILT UNIVERSITY
OWEN GRADUATE SCHOOL OF MANAGEMENT
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DIVERSE OFFERING
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marketplace and provides the leadership and motivation that is required in the beer business.”

Back to School
The qualities that Pete Coots describes are precisely the reason why Jim Bradford looked to David to lead the school’s Board of Visitors. When Bradford became Dean in 2005, one of his first initiatives was to establish the board as a strategic partner to the school, which offers insights on curricular issues in relation to the needs of business and opens new doors for mentoring and career opportunities.

“The Board of Visitors is an essential component in ensuring that Owen is providing the most relevant, meaningful education for the next generation of business leadership,” Bradford says. “That means combining the real-world business perspective of these accomplished individuals with the cutting-edge research of our renowned faculty.”

CORPORATE SPOTLIGHT
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difficult terrain but also because of the likelihood of encountering-bandits along isolated stretches. “It’s very unpleasant to fly over them instead? Starting an air charter business seemed like a simple enough solution. The only problem was he didn’t know how to fly a plane.

Not to be deterred, Proctor began taking flying lessons back in Nashville and earned his pilot’s license soon thereafter. The experience confirmed for him that he had chosen the right business concept. “I had no idea flying would be so much fun,” he says. “It’s beautiful being up there in the sky.” Meanwhile Proctor also began researching into the aviation industry in Uganda and the requirements to live and work there. The business concept, as it has since taken shape, will provide safe transport for people, including tourists visiting the country, and cargo, like the payroll he delivered on that cash run.

In the case of the latter, the irony is not lost on Proctor that he’s now exploring, in some sense, what he used to specialize in at Passport: helping people get paid faster. Only this time around, the process is not nearly so technical, not quite as fast. Unlike an instantaneous transaction over the Internet, each delivery by plane requires more effort and personal attention. And that’s perhaps why it’s all the more gratifying for him. As in his earlier days, Proctor is still stretching his entrepreneurial skills and filling unmet needs, but now he gets to see firsthand how he is making a difference.

“For me, the road to success has been one of trial and error,” he says. “That’s what I enjoy about the process.”

Melinda Allen joined the Owen School in 2002 as Director of the Career Management Center. In 2006 she transitioned to the role of Executive Director of the Leadership Development Program. Prior to Owen she spent five years in career management at the Goizueta Business School at Emory University, two years as a Staffing Manager for the Atlanta Committee for the Olympic Games, and four years with The National Kidney Foundation of Georgia.

Q&A with an Owen Staff Member
Melinda Allen, Executive Director of the Leadership Development Program

Q. What does Owen’s Leadership Development Program offer?
A. It offers in-depth, high-potential programs at Fortune 100 companies. We’ve built a rigorous, highly individualized program that helps identify and grow each student’s unique leadership potential.

Q. What opportunities exist for alumni to get involved with the program?
A. There are always opportunities for alumni to get involved with the program. Some alumni have already participated as guest speakers, industry experts, design partners and panelists. We are also happy to be a resource to our alumni. For example we have a network of executive coaches who work with our students and corporate clients.

Q. How has the recently announced partnership with Korn/Ferry Interna-
   tional impacted the program?
A. The partnership, which is the first of its kind between a graduate business school and the top talent management firm, allows us to take advantage of Korn/Ferry’s 20-plus years of research regarding the competencies that make or break leaders. Based on this research, Owen has built a model that focuses on 15 competencies that give our students a competitive advantage. We are also able to leverage the Korn/Ferry relationship to provide students the tools they need. We believe that successful leaders must be able to do three things: create the new and different, figure out how to get it done, and engage others to help get it done. This requires that they have proficiency in three different skill areas: strategic, operating, and personal and interpersonal.
much the better. We debate the issues they raise. If we get uncomfortable in the process, so to think of the world in different ways. The wide array of planned giving methods include:

- a life income gift (support Owen management, strategy and other de rigueur business subjects. But the big question is how we prepare graduates for the complex, sometimes ambiguous environments they’ll encounter after their studies. It’s increasingly clear that graduates who have not only analytical ability but also perspective and wisdom will win the day.

We work hard to help our students gain the perspective that leads to complex problem-solving skills. We offer classes on everything from teamwork and leadership to negotiations, decision theory and cross-border, cross-cultural business methodology. Is that enough? I don’t think so.

I believe that people with a broad base of education and knowledge make the best employees and the strongest leaders. We need to help them find intellectual balance while focusing on a particular business discipline. B-school students, like busy professionals, can get too focused and specialized. In the Dean’s Book Club they get to supplement their studies with reading that may help them deepen their understanding of history, world politics, religion and societal conflicts.

I don’t look just for business books or books that promote one main idea with hundreds of examples and anecdotes. We read works that challenge us to think of the world in different ways. We debate the issues they raise. If we get uncomfortable in the process, so much the better.

A great example is River Town: Two Years on the Yangtze by Peter Hessler. A young Ivy League graduate goes to a coal mining town in China for a couple of years teaching experience. He ends up finding himself behaving as the quintessential ugly American, overreacting to an insult. I thought it was telling that the author would share such a less-than-flattering story about himself. My students have liked it, too, and I’ve found that each person’s experience with the book—with any book—is different. Sharing those differences adds richness to our discussions.

We read one book in each mod, which is our half-semester academic unit. I have found the club to be very self-selective, attracting students who are motivated enough and organized enough to get all their work done and want to read books for pleasure on the side. During our discussions, we pick favorite passages. We criticize. We ask the ultimate marketing question: Would you recommend this book? Sometimes students tell me they didn’t like a book, but it changed their way of looking at something. Ultimately that’s our goal.

From Hot, Flat & Crowded, A Post-American World and Black Swan, to Factories Girls, The Colossal Failure of Common Sense and River Town, it has been a highly successful experiment. I’ve been impressed at how in discussing the points of view and ideas propounded by various authors, the students have gained insight into complex social, business and life problems. You could argue that teaching perspective isn’t a business school’s responsibility, but I’d disagree. If gaining experience through extracurricular reading improves our students’ sense of understanding, their common sense and their judgment, then we’ve achieved our goal.

We should all force ourselves into reading and seeing and doing things outside our common experience. That’s the message I want my students to take away from this experience. And here’s a little secret that I haven’t been able to hide from them. It is pure fun. Reading is a joy, and discussing a text with fellow seekers, no matter what the differences are between them, is exhilarating.

Students read one book per mod and then meet to discuss their favorite passages.

“Over the past 30 years, my life has been enriched by the many wonderful students and faculty who make up the Owen community. This scholarship honors my departed wife, my students, and all the people who make Owen such a special place.”

—Germain Böer

As a Professor of Management at the Vanderbilt Owen Graduate School of Management, Germain Böer puts his financial and entrepreneurship knowledge to the test everyday. He is proud to be a part of the Owen team and thankful for the opportunity it has given to both him and his students.

Because Vanderbilt has played such an important role in his life, Professor Böer has decided to name Owen the beneficiary of his IRA, which will fund the Elinor Böer Scholarship. You can leave a legacy to Owen as well with a tax-effective planned gift. The wide array of planned giving methods include:

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If you would like to join Professor Böer in supporting Vanderbilt through a planned gift, please contact Katie Robinson in Vanderbilt’s Office of Planned Giving at (615) 343-3858 or (888) 738-1999 or katie.robinson@vanderbilt.edu.
SA BUSINESS-SCHOOL DEAN—the hardest job I’ve ever had—I find that complex questions keep me up at night and rattle around my brain while I’m hanging in the sky on a long flight. I don’t mean the kinds of clear-cut matters that come up in finance or operations classes, but rather issues of working with and aligning groups whose motivations and needs differ dramatically and sometimes conflict. In business everyone in an organization theoretically works toward a clear, shared goal. In life, including my experience running a business school, we often face more difficult and nuanced challenges that require deeper consideration and understanding of the human condition.

When I’m trying to sort out that kind of thorny issue, I’m glad I can draw on a world view that has been broadened by more than 30 years of corporate life, work and travel—and by my passionate avocations of music, art and reading. I hope that the perspective I’ve developed leads me to more thoughtful decision-making.

That’s why, whenever I have the chance, I turn on the reading light and dive into books that challenge my intellectual understanding. It was during one of those plane-side intellectual inquiries that another kind of light bulb came on. Shouldn’t business students do the same? How might we pull them back from their intense concentration on business to look at the larger world, and at themselves as part of the world community? Shouldn’t we, as their educators, encourage them to delve into books, including non-business books, that open their minds? What if we gave Vanderbilt students a place to bounce around the ideas that would raise? Could we get them to read books not just for credit but for the pure joy of learning?

Such were the humble beginnings of the Dean’s Book Club, a discussion of current books that’s open to all interested participants at Vanderbilt University’s Owen Graduate School of Management. In my role as Dean, I get fabulous opportunities to meet with many of the world’s great business and nonprofit leaders, with executives and entrepreneurs of all kinds. When we discuss their particular industries or enterprises, the conversation often turns to the preparedness of America’s business-school graduates for work life. Employers rightly assume that excellent business programs attract candidates who have the intellectual DNA to study and really learn. The best, like Vanderbilt, provide deep understanding in finance, economics, accounting, marketing, operations and

Bradford started the book club in an effort to deepen students’ understanding of history, world politics, religion and societal conflicts.

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