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CONTENTS

2 PERSONAL ASSETS

Bappa Mukherji, MBA'95, JD'95, is looking to bag the next big thing in the food industry
by SETH ROBERTSON

14 STUDENT EXPERIENCE

Q & A: Clark Bosslet and Blake Knight on documenting the Owen experience through podcast interviews

24 CORPORATE SPOTLIGHT

Julie Fraser, BA'87, MBA'91, is on a mission at the World Bank
by SETH ROBERTSON

36 MEDIA MENTIONS

Owen in the news

48 BOTTOM LINE

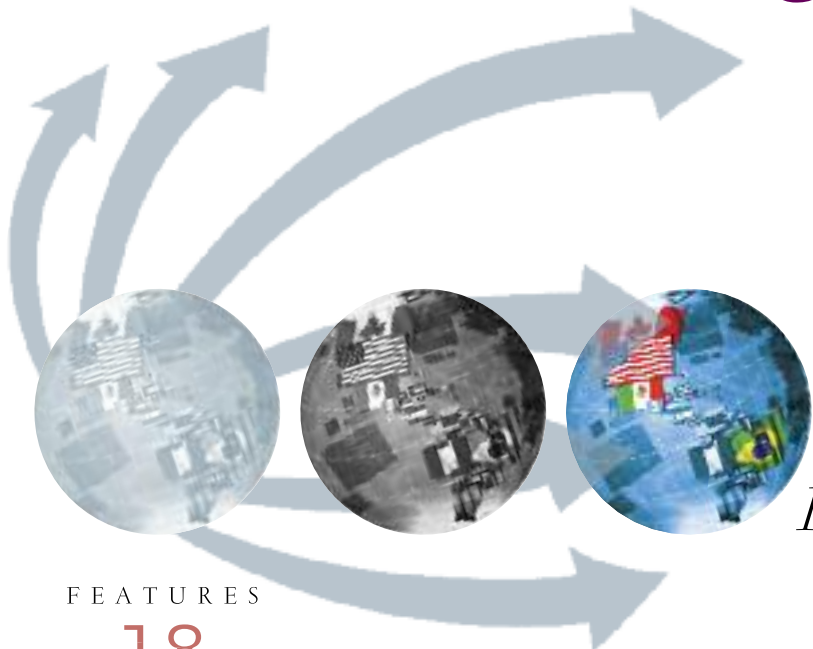
Vanderbilt helps LP break through in Brazil
by RYAN UNDERWOOD

ON THE COVER

Illustration by Ian McKinnell



7



18

FEATURES

18

GLOBAL POSITIONING

New Americas MBA for Executives program spans borders and cultures

by TIM GHIANNI

26

BEST OF HEALTH

MM Health Care program offers the right prescription for Huntsville Hospital

by JENNIFER JOHNSTON

SPECIAL SECTION

32 TAKING SHAPE

Vanderbilt's *Shape the Future* campaign and its impact on the Owen School
by SETH ROBERTSON

MISCELLANEOUS

4 FROM THE DEAN

A message from Jim Bradford

5 EDITOR'S MEMO

The upside to upside-down thinking

6 INSIDE OWEN

Lewis Named SEC's Chief Economist | Team Places Third in Health Service Competition | Q&A with the CMC's Patrick Slay | MAcc Valuation Program Launched | Warm Welcomes and Fond Farewells

10 INSIDE BUSINESS

Insider Insight | Explaining the Rules

38 CLASS ACTS

Lifelong Learner: Frank Bumstead, MBM'72 | Budapest Rendezvous | CityOwen Recap | EMBA Class of 2011 Fulfills Challenge | One Class, Five Weddings | The Owen Network in Action



14

ASHOKE "BAPPA" MUKHERJI is no stranger to pressure. Soon after graduating from Vanderbilt with both an MBA and a law degree, he was thrust into one of the more challenging roles a budding young attorney could ask for—sitting second chair in a first-degree murder trial. It was his first trial ever.

When asked about the stress he was under, he laughs, "It could have been worse. At least I wasn't the one on trial."

Mukherji spent the ensuing years at a Nashville law firm, where he concentrated mostly on mergers and acquisitions. Advising clients on these deals suited his Owen School background, but he always wondered what it would be like to "move to the other side of the table," as he puts it, and go into business for himself.

In 1997, with the help of two business partners, Mukherji did just that, launching a startup that manufactured recycled toner cartridges. That idea eventually blossomed into Guy Brown Products, a Brentwood, Tenn.-based office products distributor that had revenue close to \$200 million in 2010. Mukherji served as CEO of the company until he stepped down last fall.

"At Guy Brown we differentiated ourselves from competitors by focusing exclusively on selling to large, geographically dispersed organizations and doing it better than anyone else," he says. "It's similar to what I'm doing today—studying the market and figuring out where our company has room to operate."

The company he's referring to is Gics Foods, a food packaging business in Greenville, S.C. Appropriately enough, this latest venture is all about pressure—albeit a different sort from what Mukherji is used to.

Under his guidance as CEO, Gics packages food into retort pouches, which are plastic laminate and metal foil containers that can withstand the high temperature and pressure used to cook what's inside them. Convenient microwaveable bags of rice are just one example of this growing technology that's revolutionizing not only how food is preserved but also how it's prepared.


"We're the first company focused solely on retort packaging," he says. "That's what makes us stand out."

That, and of course, a bit of pressure.

Pressure Cooker

Bappa Mukherji, MBA'95, JD'95, is looking to bag the next big thing in the food industry

By **SETH ROBERTSON**



Bappa Mukherji is the CEO of Gics Foods, which packages food into convenient microwaveable retort pouches.

JOHN RUSSELL



FROM THE DEAN

Friends and colleagues,

Innovation in education, much like in business, originates from intellectual curiosity—from asking “Why not?” and “What if?” in a structured and often empirical way. At Owen, our innovation is sparked by a business world that is always evolving. This can be seen in the unique and powerful ways in which our faculty’s research addresses specific needs brought to us by the business community. It’s also evident in the program creation that has taken place at Owen during the past six years.

Programs like the MS Finance, Master of Accountancy and Master of Management in Health Care are all products of resource- and market-based opportunities, creative thought and a willingness to act. Likewise the new Americas MBA for Executives, which is the topic of this issue’s cover story, arose from the need to provide students, particularly those who are seeking assignments in the Western Hemisphere, with a better understanding of global business.

By building innovative programs such as these, we’re able to expand our brand and product offering, while also attracting applicants who are valued by the employment market both in good economic times and bad. Years of experience and observation have taught me that the only real sustainable competitive advantage in business is to surround yourself with the best and brightest. Education is no different. A school like ours can maintain a successful path only if it’s able to attract, hire and matriculate exceptionally talented individuals.

The programs you read about in this issue of *Vanderbilt Business* illustrate the great strides we’ve made, but there’s still much work to be done. To compete with other schools, we must find the resources to continue bringing the best students and faculty to Owen. Your support is the key to our success, and I hope that we can continue counting on it in the months and years to come.

Sincerely yours,



James W. Bradford
Dean, Vanderbilt Owen Graduate School of Management
Ralph Owen Professor for the Practice of Management



JOHN RUSSELL

The World on Its Ear

The upside to upside-down thinking

By SETH ROBERTSON

FALL 2011

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Vanderbilt Business magazine is published twice a year by the Owen Graduate School of Management at Vanderbilt University, 401 21st Ave. S., Nashville, TN 37203-9932, in cooperation with the Vanderbilt Office of Development and Alumni Relations Communications.

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WHEN LOOKING AT MOST WORLD MAPS, we take for granted our points of reference. North is up, south is down, and the U.S. is in the top left corner, just as it was when we first learned geography in grade school. Not everyone, though, subscribes to this point of view.

For decades, a group of trailblazing mapmakers has tried changing the world as we know it by changing how we see it. Their so-called reversed maps depict what seems like an upside-down world, where countries in the Southern Hemisphere have supplanted their neighbors to the north. The underlying message is that the perch from which we view the world is an arbitrary one. North is still north, of course, but that doesn't necessarily mean that it should be at the top of the map. Nor should countries at the top be considered "above" everyone else—either literally or figuratively.

After graduating from college, I learned this firsthand, but without the aid of a reversed map. Torn over my job prospects (or lack thereof), I did what many 22-year-olds with wanderlust do: pick a place on the globe and go. Joined by a couple of friends, I set out for Chile, a country I knew very little about, with the intention of staying a year. My thought was that I would teach English to pay the bills and travel around South America at every opportunity, all while brushing up on my Spanish.

I ended up doing all of these things, but the experience as a whole left a much deeper impression on me than I ever could have imagined. During the course of the year, I made lifelong friends and gained a lasting appreciation for the culture. I also came to realize that my preconceived notions of what it means to be American were limited at best. In truth, our New

World neighbors have rightful claim to that name as well, for in spite of our differences, we share a corner of the world with a common pioneering spirit.

Of all the discoveries I made that year abroad, I probably learned the most about myself. It's ironic that I had to travel halfway around the globe to get to know the person in the mirror better, but that's exactly what happened. Finding a new vantage point from which to

view the world afforded me a much better understanding of my place in it.

I imagine the inaugural class of the new Americas MBA for Executives program, which is discussed in this issue's cover story, will come to a similar realization. One of the program's main selling points is the exposure to business practices in Brazil, Mexico and Canada, but the unspoken value is the personal journey that will accompany those experiences. By immersing themselves in those cultures, the students will be letting go of the familiar and looking at the world—and themselves—with a whole new perspective.

In other words, they'll be doing those trailblazing mapmakers proud. **VB**



I N S I D E

FACULTY *Lewis Named SEC's Chief Economist* | STUDENTS *Team Places Third in Competition* | CAMPUS VISIT *Q&A*

FACULTY

Craig Lewis Named Chief Economist at SEC

MARY SCHAPIRO, CHAIRMAN of the Securities and Exchange Commission, named Owen professor Craig Lewis the SEC's new Chief Economist and Director of the Division of Risk, Strategy and Financial Innovation (Risk Fin) this past May. Lewis, the Madison S. Wigginton Professor of Management in Finance, had been working on sabbatical at the SEC since January 2010.

"I am honored that Chairman Shapiro has offered me the opportunity to lead the division and the SEC's economists at this

critical juncture," Lewis says. "I look forward to fostering durable new analytic models that will promote efficient and effective work throughout the agency, from rule writing through enforcement."

Lewis joined the Owen faculty in 1986 and has since been widely published on a range of financial issues. His interests and current research topics include stock and futures markets, margin adequacy, corporate earnings management, corporate financial policy, executive compensation, selective disclosure, and herd behavior by equity analysts.

"This is a great opportunity for Craig, a highly respected professor and researcher here at Vanderbilt who's deeply admired by his students," says Jim Bradford, Dean of the Owen School. "His appointment as Chief Economist at the SEC exemplifies a

long tradition of high-caliber, real-world work that has earned the finance faculty here a place of prestige among business schools."

Risk Fin, created by the SEC in September 2009 to help identify market risks and trends in the wake of the financial crisis, was the SEC's first new division in 37 years. It provides sophisticated, interdisciplinary analysis across the entire spectrum of SEC activities, including policy-making, rulemaking, enforcement and examinations. In addition to this role as an agency think tank, Risk Fin was created to help break down silos that compartmentalized the SEC's institutional expertise.

Lewis' position with the SEC is a two-year appointment. He is currently on a leave of absence from Vanderbilt.



Craig Lewis

STUDENTS

Team Places Third in Health Service Competition

A TEAM OF STUDENTS FROM THE OWEN School placed third in an inaugural health service case competition held at Northwestern University April 29–30. The 2011 Health Service Case Competition was the first of what the recently formed Business School Alliance for Health Care Management intends to become an annual event. Sponsored by DaVita, a leading provider of kidney care in the U.S., teams of three

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DANIEL DUBOIS

E O W E N

with the CMC's Slay | CURRICULUM Valuation Program Launched | COMINGS AND GOINGS Welcomes and Farewells



students each developed strategies to take on a real-world business case related to health care management.

Vanderbilt's team included Dr. Jennifer Rymer, BS'05, MBA'11, MD'11; Avery Fisher, MBA'11; and Jonathan Cook, an MBA candidate for 2012. The team received a \$1,000 award for finishing third behind the University of California, Berkeley, and Northwestern University.

CAMPUS VISIT

Q&A with Patrick Slay of the Career Management Center

PATRICK SLAY, SENIOR ASSOCIATE DIRECTOR and Director of Coaching, has enjoyed two stints at the Owen School's Career Management Center (CMC), first in 1999 and then again starting in 2008. A national certified counselor, he works primarily with consulting, general management, operations and strategy MBA students, as well as MSF students. Among his responsibilities is organizing the school's annual mock interview day each fall.

Q: What is mock interview day? When and how did it originate?

A: It's an annual event that started in fall 2008. The CMC saw both the need to provide job interview practice to Owen students on a large scale and the opportunity to engage Owen alumni in giving back to the school. Each student gets 45 minutes to practice interviewing with alumni, but there's also time to network a bit and learn more about the roles they might pursue. In all, 35 to 40 alumni representing different industries and job functions come back for the event, and about half are from outside the greater Nashville area.

Q: What's one piece of advice you give students looking to improve their interviewing skills?

A: Practice, practice, practice. No matter how good you think you are at interviews, practice is still essential for being able to walk into a room and sell yourself for a job. We remind students that the person who gets the offer is not always the most qualified, but rather the person who best articulates how he or she can do the job at hand.



Patrick Slay

Q: What have you learned from being part of mock interview day?

A: That everyone seems to enjoy it. It's great to see the energy in the building on the day of the event. Alumni like being back, catching up with old friends and helping current students. Students appreciate the time alumni put into it and the great advice they receive. There's not a downside to the event—except maybe it's not held often enough!

Q: How can alumni get involved in the process?

A: We solicit help from alumni based on the information we pull from VUconnect. I always remind alumni to keep their profile updated online. If they're interested in helping with this event or in some other way, they can always contact the CMC directly and we'll figure out how to get them involved.

CURRICULUM**MAcc Valuation Program Launched**

THE OWEN SCHOOL HAS LAUNCHED a new Master of Accountancy program that focuses on preparing students for highly sought-after careers in valuation services for international public accounting firms. The MAcc Valuation program is currently recruiting students to join the first class starting in August 2012.

Responding to an increased demand for students able to handle functions such as assessing mark-to-model values, measuring brand goodwill and pricing acquisition targets, the new program draws on some of Owen's core academic strengths.

"The master of accountancy program itself has been a great success story, and this next step is a logical one to take," says Dean Jim Bradford. "This innovative new course of study will address the



PIMAGOPIMAGO, ISTOCKPHOTO; COMPOSITE MIKE SMELTZER

SNAPSHOT

BOB WHALEY, THE VALERE BLAIR Potter Professor of Management, and Jacob Sagi, the Vanderbilt Financial Markets Research Center Associate Professor of Finance, rang the NASDAQ OMX opening bell in New York April 19 to celebrate the start of options trading on a new group of indexes the pair developed. Called Alpha Indexes, the new tools are designed to help investors measure performance between individual stocks and benchmark exchange-traded funds.



NASDAQ OMX

changing world of accounting as it relates to valuing assets and risk.”

Under the guidance of Karl Hackenbrack, Associate Professor of Accounting, Faculty Director of the MAcc Program, and Associate Dean of Evaluation and Program Development, the valuation track will graduate its first class in spring 2013. The full-time program runs 12 months and includes preparation for two of three levels of the chartered financial analyst (CFA) exams, as well as the certified public accountant (CPA) exam. Students will have the opportunity to take all three tests while in the program.

“All valuation students aspire to launch their careers with an international public accounting firm in service lines that deal primarily with business modeling, transactions and audit support,” Hackenbrack says. “This program really is at the nexus of finance and accounting. To succeed in a valuation service line, the professional must understand accounting rules and the finance behind those rules.”

Successful applicants must have solid quantitative skills, but also be well-equipped to handle client-facing roles, Hackenbrack adds.

In 2010 *Bloomberg Businessweek's* recruiter survey ranked Owen's accounting program fifth among U.S. MBA programs, ahead of institutions such as Harvard Business School and the Uni-

versity of Pennsylvania's Wharton School. This year's 28-person MAcc class had a 100-percent job placement rate, in part due to the relationships formed with partner firms Deloitte, Ernst and Young, Grant Thornton, KPMG and PricewaterhouseCoopers.

COMINGS & GOINGS

Warm Welcomes

Cheryl Chunn has been named Associate Dean of Development and Alumni Relations. She previously worked as Director of Development, Departmental Programs, for Vanderbilt University Medical Center.

Mark Cohen, Professor of Management and Law, has rejoined the Owen School following a leave of absence as Vice President for Research at Resources for the Future, a noted environmental think tank in Washington, D.C.

Brian McCann, MBA'04, Assistant Professor of Strategic Management, has become a permanent, full-time faculty member.

Fond Farewells

Bob Blanning, Professor of Information Technology, Emeritus, was among 16 retiring Vanderbilt faculty members honored during Commencement May 13.

NEW TRADITIONS

The graduation ceremony for the Executive MBA Class of 2011 marked the beginning of a new tradition for Owen's Executive Programs. In addition to diplomas, the graduating students each received a blazer in recognition of their accomplishment. The jackets are black and have brass buttons emblazoned with the Vanderbilt logo. For a photo of the EMBA Class of 2011 wearing their blazers, see page 42.

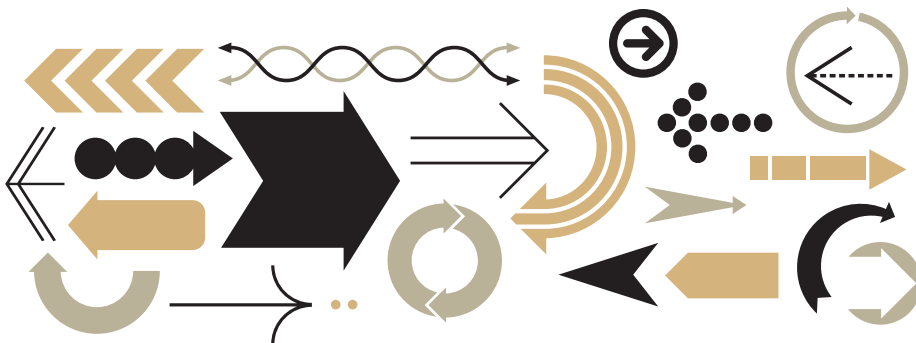


Tricia Carswell, Associate Dean of Development and Alumni Relations, has stepped down to become Executive Director of Principal Gifts at her alma mater, Furman University.

Jon Lehman, Associate Dean of Students, has stepped down to become CEO of PAX Scientific, an engineering research and product design firm, but will continue to teach at Owen.

Ron Masulis, the Frank K. Houston Professor of Finance, who was away on a leave of absence to the University of New South Wales, has elected to join that university on a permanent basis as the Scientia Professor of Finance.

Mike Shor, Assistant Professor of Management, has accepted an opportunity to become Assistant Professor of Economics at the University of Connecticut, where his wife is also a faculty member.



I N S I D E

Accounting *Insider Insight* | Finance *Explaining the Rules*

ACCOUNTING

Insider Insight

*Insider trades offer clues to
accounting restatements*

BY RYAN UNDERWOOD

*A version of this article originally appeared
in VB Intelligence on July 18, 2011.*

ENRON. WORLD.COM. TYCO. THESE ARE among the most notorious names associated with a wave of accounting scandals that plagued the early 2000s and ultimately helped spur passage of the 2002 accounting reform law known as Sarbanes-Oxley.

While accounting restatements haven't gone away entirely since then—there were 735 last year, down from a peak of 1,795 in 2006, according to Audit Analytics—they don't always result in cataclysmic failure. In fact, the market can learn much about the future fate of a company based on the buying or selling of stock by the firm and its managers preceding an accounting restatement.

That's according to new research from Nicole Thorne Jenkins, Associate Professor of Accounting, and co-authors Brad Badertscher of the University of Notre Dame and Paul Hribar of the University of Iowa. Their paper was published in *The Accounting Review* in September 2011.

"We predict and find evidence that when a firm restates its financial statements, the market uses the magnitude and direction of prior insider and corporate trades to help price the implications of the restatement," the authors wrote.

Typically when a company issues an accounting restatement, it suffers an average loss of 10 percent in market value. That figure climbs to 20 percent or greater for firms whose restatements have been caused by "irregularities." More than half the cases of restatements in the authors' data occurred because of an issue with revenue recognition. Nearly 30 percent were due to things such as improperly recognizing expenses or wrongly capitalizing expenditures.

In the short run at least, Jenkins and her colleagues found that the negative impact of a restatement is softened "when there are net stock repurchases or insider purchases." The opposite is also true—losses worsen—when "there are net equity issuances or insider selling," they wrote.

The authors take the study a step further by demonstrating that the market is in fact using a company's insider buying or selling behavior as a signal for how to price the restatement event. The positive (and negative) effect of buying (or selling) on share price is only found for those trades which have been disclosed publicly.

Preceding a restatement, "selling suggests more nefarious behavior on the part of management, and is likely to increase the information risk premium ... while prior buying might help mitigate the uncertainty facing investors," the authors wrote.



BUSINESS



DANIEL DUBOIS

Research by Nicole Thorne Jenkins suggests that insider trading that occurs before an accounting restatement can reveal a lot about a company's future performance.

This study offers a “directional” hypothesis, rather than trying to determine the exact magnitude of the effect. In addition, where other research looks for reasons behind accounting restatements—fraud, for example—the authors here look only at how the market acts on public information about the buying or selling actions of management and the company.

Ultimately, the authors conclude, the evidence in this study “suggests that the market begins to look for corroborating or contradicting evidence regarding the future performance of the firm once the restatement is announced.”

FINANCE

Explaining the Rules

FMRC conference explores impact of Dodd-Frank regulations

BY RYAN UNDERWOOD

A version of this article originally appeared in VB Intelligence on Aug. 1, 2011.

FOR THE PAST 24 YEARS, THE FINANCIAL MARKETS Research Center (FMRC) at the Owen School has hosted a spring research conference designed to facilitate discussion between academic researchers and business practitioners. Starting with the 1987 Wall Street crash, many of the best minds in finance have assembled at the annual event to analyze topics ranging from globalization to securitization.

This year was no exception. Brett Sweet, Vice Chancellor and Chief Financial Officer at Vanderbilt, chaired presentations on regulating risky banks, while Margaret Blair, the Milton R. Underwood Chair in Free Enterprise at Vanderbilt Law School, led a session about the federal rule-making process.

The primary focus of this year's FMRC conference, held May 5–6, centered on implementation of the Dodd-Frank Wall Street Reform and Consumer Protection Act. Almost a year after the bill was signed, federal regulators continue to draft new rules overseeing hundreds of trillions of dollars' worth of activity that touches everything from the credit-default swaps that played a role in the 2008 financial crisis to overhauling Fannie Mae and Freddie Mac. In fact, the task of implementing the law has proven so massive that regulators have pushed many of its deadlines back six months to Dec. 31, 2011.

Even as regulators finish their work, however, many questions remain (including from those within the government) about the law's ultimate impact.

Mortgage Reform

Regarding home mortgages, Edward J. DeMarco, Acting Director of the Federal Housing Finance Agency (FHFA), said in his FMRC keynote speech that keeping Fannie and Freddie in an indefinite state of conservatorship—which has stretched on for more than three years—poses risks to an already fragile sector. Total taxpayer support of the companies could climb to \$363 billion by 2013, according to FHFA estimates, and so far none of the reform proposals put forth

by Congress and the White House have gained much political traction.

“The only thing Congress can agree on is not renewing their original charters,” he said.

Whatever plan does finally emerge for Fannie and Freddie, DeMarco indicated that there are at least three elements that any framework must include:

- *Uniform mortgage standards:* From collecting borrower data to developing guidelines for home appraisals, he said the industry needs consistency and transparency throughout the life of a loan. Without these elements, the world of private capital won't be able to price and evaluate risk correctly.
- *Diversity of product offerings:* Lenders shouldn't lock themselves into offering only traditional 30-year fixed-rate mortgages just because data standardization is needed. “This is a big country with lots of people in many different situations,” he said. “The mortgage market of the future really needs to be not just liquid and stable, but it needs to have an appropriate diversity of offerings.”
- *Clarity about the role of the taxpayer:* To properly calibrate how risk is assigned, priced and managed, DeMarco said it's imperative that investors fully understand the role of the taxpayer in any future mortgage finance system.

Derivatives Oversight

There's a climactic scene in Michael Lewis' bestselling book *The Big Short* in which Dr. Michael Burry, the neurologist-turned-investor, finally sees his \$1.9 billion bet against subprime mortgages start to pay off—that is, until he contacts his counterparties and tries to collect.

As it happened, the very banks from which Burry purchased the products that, in theory, should have been making



Edward DeMarco talked about mortgage reform in his keynote speech at the FMRC conference.

him rich were also the same institutions responsible for pricing his investments.

“It was determined by Goldman Sachs and Bank of America and Morgan Stanley, who decided each day whether Mike Burry's credit-default swaps had made or lost money,” Lewis wrote.

Under the Dodd-Frank Act, many of those kinds of privately traded deriva-

“When an airline goes out of business, air traffic control doesn't go haywire. When a phone company goes down, we can still make phone calls. But when banks go down, it's different.” —Wilson Ervin

tives—worth as much as \$600 trillion—will now be transparently priced and exchanged through a central clearinghouse. In addition, the Securities and Exchange Commission (SEC) will split oversight of these financial instruments with the Commodity Futures Trading Commission (CFTC).

Joanne Moffic-Silver, Executive Vice President and General Counsel for the Chicago Board of Options Exchange, told FRMC conference participants that her company is interested to see how the two federal overseers handle these new regulations.

“One question with the Dodd-Frank Act is: Will having two agencies split jurisdiction over functionally equivalent products work?” Moffic-Silver said. “Ideally, and this is my personal opinion, there should be little or no differ-

ence between the SEC and CFTC on swaps rules.”

As written in the new law, the SEC will handle swaps that are backed by securities like a single or narrow group of stocks; the CFTC will manage the rest, including 22 listed categories that include interest-rate, credit-default and currency swaps.

But Moffic-Silver said Dodd-Frank includes a number of possible exceptions that would exclude various swaps from being traded through a clearinghouse. In addition, the new law allows for the creation of a new “Swap Execution Facility” (SEF) that would be an alternative to listing on an exchange. Current proposals from both the CFTC and SEC

differ on some of the specifics of how these SEFs would operate, Moffic-Silver pointed out.

“The rule-making process has been interesting. The SEC and CFTC do talk, they do meet, and they have a current memorandum of understanding where they are supposed to coordinate regulation of similar products,” Moffic-Silver said. “But the proposals have differed in some very important areas.”

‘Bail-ins’ instead of Bailouts

On Sept. 15, 2008, the world awoke to what Andrew Ross Sorkin, writing in *The New York Times*, called “one of the most dramatic days in Wall Street's history.”

The storied brokerage firm Merrill Lynch was sold for \$50 billion, just half of what it had been worth the previous year; and after failing to find a buyer,

Lehman Brothers filed the largest bankruptcy on record, culminating in a painful \$150 billion liquidation.

After those catastrophic events, Congress approved a \$700 billion bailout several weeks later to help banks unload their “toxic” mortgage-related assets to prevent further shocks. Now, instead of once again using taxpayer money to help prevent a contagion risk that could bring down the banking

world, there’s discussion about designing a “bail-in” mechanism.

Wilson Ervin, Managing Director at Credit Suisse, explained in a presentation at the FMRC conference that a “bail-in” would give regulatory officials the authority to impose a resolution designed like a prepackaged bankruptcy. “Think of a Chapter 11 bankruptcy on steroids,” he said.

“When an air-

line goes out of business, air traffic control doesn’t go haywire. When a phone company goes down, we can still make phone calls,” Ervin said. “But when banks go down, it’s different.”

Using the case of Lehman Brothers as an example, Ervin said by writing down assets and converting a portion of the debt to new equity, the bank could have preserved a capital base of more than \$40 million, giving it some hope to raise additional investment from other financial services firms.

“The process would not be pretty, but overall investors should be relieved by the result,” Ervin wrote in an *Economist* essay he co-authored on the subject. “In [the Lehman] example the bail-in would have saved them over \$100 billion in aggregate, and everybody—other than short-sellers in Lehman—would have been better off than today.”

New Vanderbilt Research

In addition to the speakers from government and private industry, several members of the Owen faculty presented new research, including Bob Whaley, the Valere Blair Potter Professor of Management, who discussed his collaboration with Jacob Sagi, the Vanderbilt Financial Markets Research Center Associate Professor of Finance, in launching NASDAQ’s Alpha Indexes. Also Nick Bollen, the E. Bronson Ingram Professor of Finance, shared results from a recent paper investigating hedge fund investment strategies, while Hans Stoll, the Anne Marie and Thomas B. Walker Jr. Professor of Finance and Director of the FMRC, presented new research with Thomas Ho, the FMRC Research Professor of Finance, examining the interaction between financial markets and regulations.

VB



Under the Dodd-Frank Act, federal regulators drafted new rules overseeing trillions of dollars’ worth of financial activity in the U.S.

Fielding Questions

Q&A: Clark Bosslet and Blake Knight on documenting the Owen experience through podcast interviews



Knight (left) and Bosslet will go just about anywhere to get the interview they're after.

How did you two end up working together? And what's the story with this name "Blark!" that follows you everywhere?

Blake: "Blark!" started as an inside joke. It's a play on our two names.

Clark: In case that wasn't obvious.

Blake: We flash it at the end of each video as a production credit in the Owen Podcast Series. We didn't think anyone would notice, but as our first year progressed, our classmates co-opted "Blark!" and began referring to us as a single entity. So I guess at least a few of them had been watching.

Clark: We suspect they started using it because they hadn't bothered to learn our individual names yet.

Blake: Well, to be fair, we didn't exactly make it easy for people to differentiate us. We're both from Texas and we both majored in marketing as undergrads at Texas A&M. We both joined OwenBloggers at the beginning of our first year and started working for the school's Marketing and Communications office as social media consultants. We both

CLARK BOSSLET *and* BLAKE KNIGHT are both MBA candidates for 2012 and bloggers for *OwenBloggers.com*, a website that offers an uncensored student perspective on life at the Owen School. The *Owen Podcast Series*, which Bosslet and Knight film and produce for the site, features interviews with faculty, fellow students, alumni and members of the Nashville business community.

have dark glasses and wives who are arguably out of our leagues. People act like we must be lifelong friends, but one year ago we'd never met.

Clark: Well, that's not exactly true. As we've recently pieced together, we apparently met at a house party as undergrads, just after Blake started dating his future wife, Kristi, who happened to have a couple of classes with me. More than likely, we were loitering around the keg and talking about music, since Blake was in a popular local band at the time and I secretly idolize musicians. And that was it.

Blake: After the chance encounter, we went our separate ways. I had a pretty unique hybrid background of marketing and design, and so I worked for two successful startups in Dallas as their one-man marketing machine. Clark ... I don't even know why he got a marketing degree.

Clark: Yeah, I put it to good use. I started in state and local tax at KPMG and then joined the internal strategy group at Texas Children's Hospital.

Blake: But Owen brought us back together.

Clark: It was very much like the movie *Serendipity*.

Blake: Strikingly similar. My wife recognized Clark's name on the list of admitted students, which prompted an email, which prompted calls, which prompted meeting up before school even started.

Clark: All of which prompted lots and lots of scheming. We definitely both have an innate drive to create stuff when we think there's a need. Or, in the parlance of our peers, to "blue sky" it.

So how did the Owen Podcast Series come together?

Blake: Early on, we agreed that Owen, and just about every other business school we visited, could have a more robust media library. This would allow prospective students to feel like they really know the school's people and cul-

"Everyone in this era has built up a natural layer of skepticism, and when you feel a sales pitch coming on, you immediately put up a mental barrier. We wanted the podcasts to avoid that sheen." —Clark Bosslet

ture during their search process, even before visiting the campus to experience it firsthand.

Clark: This notion was the seed of the Owen Podcast Series, which built upon previous Owen podcasts by adding an interview format and bringing in an eclectic mix of guests, ranging from faculty members to community leaders to local business owners. The goal is to showcase everything that makes Owen and the surrounding community unique.

Blake: Prospective students don't just care about the curriculum and pedigree of the schools they seek out. That's important, but they also care about the culture and social activities outside the walls of academia. It's a package deal, something we were keenly aware of after talking our wives into dropping everything and moving to Nashville. Based on that, we knew that prospective students and their partners want to know they'll have some fun during the whole grad school experience.

Clark: The city of Nashville has a strong creative class and a strong entrepreneurial spirit. It's a lot more than a country music scene, or even a health care scene, although it obviously has all of those things, too. We really believe

the city is a key part of the Owen value proposition.

Blake: We found the school to be incredibly fertile ground for organic, student-led innovation. Before stepping foot in a classroom, we brought our podcast idea to the admissions team, who saw it as a great marketing tool,

not only for prospective students but the Owen community at large. We were then put in touch with Yvonne Martin-Kidd, Executive Director of Marketing and Communications.

And how did the idea go over?

Clark: We were two anonymous, overeager students. They could have easily scoffed. But after presenting our vision, the response was overwhelmingly supportive.

Blake: It was, "What do you need to get going? Cameras? We have HD, Flip, handhelds and studio lights. Microphones? We have lapels and handhelds, all wireless. Anything you need is at your disposal whenever you need them. And, by the way, once you get going we can give you a prominent spot on the new website we're creating for Owen and possibly include featured podcasts in our newsletters."

Clark: It was pretty unexpected. They not only signed off on the project, but they wanted to become actively supportive in its success. Blake and I both came from an undergraduate school with almost 50,000 students. Texas A&M has a strong culture of student involvement, but there's a lot of red tape. In this case,

*We have a lot of precious **COMMODITIES** right now: time, resources, administrative champions and lots and lots of **SMART** people around us. It's a **RECIPE** for doing some really fun stuff.*

the speed of approval and level of encouragement was incredibly refreshing.

How did you become affiliated with OwenBloggers?

Clark: OwenBloggers has always prided itself in leaving off the veneer, so to speak. It's far less engaging as a member of an audience when you feel like you're being pitched to. Everyone in this era has built up a natural layer of skepticism, and when you feel a sales pitch coming on, you immediately put up a mental barrier. We wanted the podcasts to avoid that sheen. It needed a home within the constellation of online touch points at Owen, and it found a kindred spirit in OwenBloggers.

Blake: We were both familiar with the site after visiting it many times as prospective students, and we were excited about the opportunity to partner with something that had a built-in audience and an established brand. The site was flush with material and had a broad international readership, but had outgrown the blogging platform it was created on. We met with the current and past leadership of the site, who were already tossing around the idea of moving the site onto WordPress (a popular blog publishing platform).

So you do some programming as well?

Clark: This was all in Blake's sweet spot. When we found out about the WordPress initiative, I basically volunteered Blake's Web design and programming

expertise to build the new site. The only thing I more willingly offer than my own time is someone else's.

Blake: We had the opportunity to combine the veteran OwenBloggers site and the yet-to-be-tested Owen Podcast Series into a multimedia conglomerate, the likes of which had never been seen before ... at least in graduate student-led media circles ... in the southeast United States ... to our knowledge.

Clark: We are basically young Rupert Murdochs. I hope he doesn't do anything stupid before this article appears.

And all of this is in your first month or so as students?

Clark: I think it sounds more ambitious after the fact. At the time, we just wanted to create content. We were excited about starting the next chapter in our lives and about having access to some really great minds. Honestly, the podcast series was mostly an excuse to reach out to interesting people and pepper them with questions, all under the guise of content creation.

How do you decide on which guests to interview?

Blake: We started looking for guests here at Owen, which is ripe with passionate personalities and big thinkers. We wanted to provide a relaxed, intimate look into people whom incoming students would be interacting with their first year. Faculty such as Michael Burcham, Lecturer of Entrepreneurship; Dave Owens, Professor of the Practice of Management and Innovation; and Larry Van Horn, Associate Professor of Management; as well as Read McNamara, Executive Director of the Career Management Center, all sat down with us to talk about what drives them personally and professionally. While we touch on the requisite questions regarding their roles at Owen, we're really looking to establish the people behind the message and create a real experience for the viewer. Simple lighting, one camera shot, natural settings, and, with the exception of raucous bird squawks and ambulance noises, very few edits.



Clark: In one of our first episodes, Bart Victor, the Cal Turner Professor of Moral Leadership, mentions the Carnegie Bargain, which is the mindset that one must first do well financially in order to have the means and freedom to do good philanthropically. And then we talked about the misplaced focus of many organizations on fixing the suffering of poverty instead of alleviating the poverty itself, which is a key tenant in the Project Pyramid courses here at Vanderbilt. It was, at least in my mind, genuinely inter-

“When you see a professor speak passionately about something, it helps you uncover what’s behind the syllabus and understand why Owen students are regarded not only for their spreadsheets but also their convictions.” — Blake Knight

esting stuff, and I think that’s when we realized the true potential within the series. Our litmus test has always been: If I’m a prospective student and I stumble upon this, is this compelling? Does it flesh out my opinion of the school? And if the answer is yes, it has some value.

Blake: I think people really connect with genuine passion. It comes through the screen and grabs you as a viewer. When you see a professor speak passionately about something, it helps you uncover what’s behind the syllabus and understand why Owen students are regarded not only for their spreadsheets but also their convictions.

Clark: Once we had our sea legs, we started looking into the community to find local business leaders who are focused on making Nashville unique. No one would call us shy, but it was still daunting to essentially cold call someone to ask them to be on a podcast that’s still more of an idea than a product.

Blake: As it turns out, we had an ace up our sleeve: being students. People are definitely more receptive to the idea of sitting down with students, especially if they can tell you’ve done your homework and know their craft a bit.

Clark: Blake and I have a certain aesthetic, and that aesthetic is good beer and good music.

Blake: We reached out to local companies like Yazoo Brewery, Third Man Records (Jack White’s label) and Hatch

Show Prints and asked for an hour of time with the owners. These are all small shops, so their time is valuable, and they’re not hurting for media coverage, not that we even qualify. But when we prefaced the request with “I’m an MBA student from Vanderbilt,” they gladly opened their doors to us.

Clark: I think that’s a testament to two things—the cachet of the Vanderbilt name and the tremendous sense of community here in Nashville.

Blake: At the end of the day, we really enjoy it. We meet incredible people and talk about great ideas. When our podcast with Ben Blackwell, Director of Operations of Third Man Records, was picked up by the local media, there was an admitted sense of pride in knowing our efforts helped raise the local profile of the school.

So what’s next for “Blark!”?

Clark: The hardest part is not coming up with the ideas, or even initially bringing them to fruition. That’s easy because it’s

thrilling and somewhat finite. The hard part is sustaining something once the newness and the sense of accomplishment has worn off a bit. So a big focus for us this year is making sure the podcast series and the website are sustainable. The quick turnover at business schools can kill a lot of good ideas because capturing that institutional knowledge is so challenging. But we are blessed to have some really great peers at Owen right now. There’s a palpable eagerness among the student body to make Owen a better place while we’re here.

Blake: We recognize that this is a unique point in our lives. We have a lot of precious commodities right now: time, resources, administrative champions and lots and lots of smart people around us. It’s a recipe for doing some really fun stuff that’s not only personally rewarding but also reflects well upon the school. **VB**

Watch Bosslet’s and Knight’s podcasts:



Find more titillating stories at:
OwenBloggers.com



GLOBAL POSITIONING

New Americas MBA for Executives program spans borders and cultures

By TIM GHIANNI



Mario Ramos has a hard time containing his excitement about the freshly unveiled Americas MBA for Executives program at Vanderbilt. To hear him talk, you'd think that he's among the inaugural class of 12 Owen students who'll be traveling to Brazil, Canada and Mexico in the coming months to learn about those economies. He's not, though: Ramos, EMBA'10, already has earned his business degree, and if there's any disappointment in his voice, it's because he never had a chance to reap the Americas program's benefits.

“I had to learn it the hard way,” says Ramos, Vice President of Engineering at Schneider Electric, one of the multinational companies that not only have a huge Nashville presence but also make Vanderbilt and Music City an ideal hub for this new style of international education.

Schneider Electric brought Ramos, a native of Mexico, to Nashville, and he has since grown with the company, tasting the increasingly global flavors of modern business firsthand. His experiences have afforded him valuable insight, which Tami Fassinger, BA’85, Associate Dean of Executive Programs and head of the Americas program at Owen, gladly welcomes. Ramos is among several alumni who have helped shape the program with their advice.

Fassinger stresses that businesses cannot rely on the same old parochial strategies in this global era, and so the Owen School has tailored the Americas program, which officially launched in early August, to offer its participants something new and different. To borrow a phrase from modern combat journalism, the program “embeds” students in international experiences while they work toward their MBAs. In addition to learning about global business management practices in the classroom, students gain real-world preparation on the ground, both in Nashville and thousands of miles beyond.

All about Relationships

Owen isn’t alone in this Americas venture. Three other business schools of similar prestige—Fundação Instituto De Administração (FIA Business School) in Sao Paulo; Instituto Tecnológico Autónomo de México (ITAM) in Mexico City; and Simon Fraser University’s Beedie School of Business in Vancouver, British Columbia—also are participating. The four partner schools plan to each



Mario Ramos

enroll 15 students in the future, capping the total for every class at 60.

The Americas students spend the first year at their home schools, with some interaction with one another via the Web. Global study teams are then formed during the second year by making use of technology for conferences and virtual meetings. The second-year students also rotate together to each campus for immersion in weeklong residencies that incorporate each locale’s cultural advantages and challenges.

Fassinger says that students will work both virtually and hands-on “across borders, language, culture and time zones ... on various coursework assignments and a yearlong capstone project.” The academic payoff is that each student will graduate with an Americas certificate conferred by the four participating universities as well as an MBA from his or her home school.

“More important,” she says, “they will have taken a deep dive into expert topics by Americas region and school, spanning everything from family-owned enterprises

unique to Mexico to cross-cultural negotiations in Canada to sustainability models in Brazil to launching new ventures in the U.S.”

As a practical matter, managers will be sharpening international networking skills each step of the way. Learning how to apply those skills across linguistic and geographical borders is one of the most important aspects of doing business globally, says Ingrid Calvo, EMBA’09, a native of Colombia who works as International Controller for Gibson Guitar.

“In other countries it’s mostly about relationships,” as opposed to in the U.S., where “you get down to business right away,” she says. In her work, which now has her heavily focused on China, it’s critical to establish and maintain business relationships with government officials and business partners.

Calvo can testify to the effectiveness of her Vanderbilt MBA in these situations. “It has provided opportunities for me, has strengthened my core skills in managing global business, and has better pre-



For more information about the schools that make up the Americas MBA for Executives, visit the programs page at owen.vanderbilt.edu.

pared me for additional expatriate assignments,” she says.

She admits, though, that the international component of the Americas program would have been ideal, had it been available. “If given the choice,” she says, “I would have preferred to have been part of the Americas program.”

Ramos, who hopes to direct Schneider employees into the program in the future, knows from experience how valuable cross-cultural pollination can be. “When Tami first mentioned the possibility of opening up an Americas program, I was pretty excited,” he says. “It’s a tremendous opportunity. There are a lot of people in Latin America who could benefit from this type of program.”

And it’s equally valuable for Americans looking to the greater world market for production and distribution, Ramos adds. “It will help companies managing teams or trying to build their businesses in Latin America,” he says. “It will give them a lot of insight into the local environment—how to do business there, how to deal with the government, how to do business in a different culture.”

Schneider Electric, a global specialist in energy management, has 130,000 employees worldwide, producing a variety of systems that are designed to manage and conserve energy. The company

has spread into markets like India and China, but Ramos says the Americas program’s lessons will translate anywhere. “There are various ways of going to market. Organizational behaviors are affected by different cultures with different values,” he says. “You need to understand how that works to really be able to do business in these countries.”

Looking at an Entire Hemisphere

As new as the Americas program is, international business has long been a focus for Owen. The idea for such a program was first planted soon after the establishment of the North American Free Trade Agreement (NAFTA) between the U.S., Canada and Mexico in 1994. “About 15 years later, we were finding that our Executive Development Institute client companies were looking at an entire hemisphere rather than individual countries for management decisions,”

“One of the important things about this program is that by having discussions with people who do business directly in those countries, we’ll have debate and ask questions as to what is the right answer. The conversations will be diverse.” —Mario Ramos

Fassinger says. “When we started to notice that, we thought that we needed to address it pragmatically.”

In the late ’90s, Owen experimented with a short-lived International Executive MBA program based in Miami. The IEMBA students were bright and hard-working—many of them have since gone on to prosperous careers in the Americas—but the logistics of the program itself proved too challenging. Among the roadblocks to the Miami venture were the lack of a Vanderbilt facility in the city and the added complications of monthly travel time and expenses for participants.

After talking with IEMBA alumni, Owen took steps to ensure that the Americas program is more practical than the Miami experiment. Fassinger says physically locating the new program at Vanderbilt is important because the uni-

versity already has an acclaimed Center for Latin American Studies with which Owen can share human and academic resources. Also the decision to schedule weeklong residencies during the second



Tami Fassinger

year, as opposed to biweekly or monthly classes in each location, means less travel for those involved.

In all, the Americas program provides a more balanced approach than its IEMBA predecessor—as Fassinger says, it’s “a complete immersion experience and a complete Vanderbilt experience.”

Of course, practical concerns, such as tuition, credit and diplomas, had to be worked out prior to launch. “One of the

things institutions struggle with is: How do you transfer credit? How do you figure out admission differences?” Fassinger says. “We decided only to enroll our own students and not share revenue, so we went with schools that have great admissions standards of their own. Second, we figured out a formula where we all are responsible for an equal part of the delivery of the second-year residency experience.”

Each of the partners brings something unique to the residency weeks. For example, in Vancouver, an international city with strong Asian business interests, focus will be placed on cross-border negotiation and collaboration. Meanwhile Brazil will offer lessons in sustainability and bottom-of-the-pyramid marketing. In Mexico, where most of the businesses are family-owned, attention will be paid to global competitiveness among such companies.



Ingrid Calvo

“When they come to Vanderbilt, they will look at American innovation,” Fassinger says. “We’ve been talking to the big companies that make Nashville great: Nissan, Bridgestone, LP, Schneider, Gibson. And we will use the Nashville Entrepreneur Center to show how to launch startups that can become the next multinational companies.”

Interaction with prospective students in the U.S. showed there was a need for the Americas program. “They wanted a deeper global experience than what we had previously offered,” she says. “We surveyed our pool of candidates, and it was clear there was a demand for it.”

Ramos says that Vanderbilt already has an international mindset, but in the past, much of the discussion was “very U.S.-centric” by nature. “One of the important things about this program is that by having discussions with people who do business directly in those countries, we’ll have debate and ask questions as to what is the right answer,” he says. “The conversations will be diverse.”



William Thomas

Universal Business Principles

William Thomas, BE’92, EMBA’11, Executive Director of Quality and Sales Engineering for Bridgestone Americas, just graduated from the Executive MBA program in July. Like Ramos, he is somewhat envious of the opportunities that await the students enrolled in the new Americas program.

“If this international program had been available when I was starting in ’09, I absolutely would have taken it,” he says. “Our business, the tire business, is becoming more of a global game. The managers in the 21st century need a global perspective.”

Bridgestone provides training to prepare employees for the international market, but Thomas emphasizes the value of the Americas program. “By having them physically take classes in Canada, Mexico and Brazil, it puts them in contact with other cultures and begins the process of changing the way they think about doing business in another country,” he says.



Phillipia Pundor

With Bridgestone, Thomas learned international business by serving as Assistant Plant Manager, Responsible for Quality Assurance, at the company’s Buenos Aires facility. “What I discovered with my experience in Argentina is that there are universal business principles that can be applied across borders,” he says. “But the cultures you operate in require you to modify your approach to make yourself more effective.”

Thomas is now investigating how this new program might benefit his staff. “I’m talking to two of my managers in Argentina who are contemplating going back to school and getting their MBAs in Buenos Aires,” he says. “I asked them to consider going to Sao Paulo and getting in this Americas program instead [through FIA, Vanderbilt’s partner in Brazil].”

Thomas also looks around the Nashville office to identify Bridgestone managers who are hoping to supplement the international preparation they already receive at the company. One such employee is enrolled in the inaugural Americas class: Bridgestone’s Phillipia Pundor, Section Manager, Global Mobility and Immigration.

“We have a number of teammates who work on foreign assignments outside their home countries,” Pundor says, pointing to the approximately 50 expatriates she assists

throughout South and Central America as well as in the Netherlands, Portugal, Liberia, the Democratic Republic of the Congo, India, Thailand and Japan.

Pundor, who has a background in industrial/organizational psychology, says the Americas program offers precisely what she needs. “I’ve looked at a number of different graduate programs, and Vanderbilt was definitely the most attractive,” she says. “This will put me in a position of growth and opens a lot of avenues into roles across the organization.”

Fellow student Jon Haworth has a similarly positive outlook on the program. He, however, took a more indirect path to it. The Vice President of Product Innovation and Plant Operations at Des-Case Corp., which manufactures filtration products for industrial lubricants, was set to enter the Executive MBA program a year ago, but the birth of his son put his enrollment on hold.

It was a fortunate turn of events.

“As they rolled out the Americas program, I quickly jumped over to that, because the international component of our business has been growing so fast. There will be things I learn from Day One in this program,” he says. “It’s exactly what I need to move up in this company.”

The son of Baptist missionaries, Haworth grew up in Brazil and is fluent in Portuguese. He also has worked abroad



Jon Haworth

quite a bit for Des-Case, which sells products in 52 countries. His experiences overseas have impressed upon him the need for broader international skills.

“The American way doesn’t always get the job done,” he says. “On the other side of the world, they approach it from a totally different perspective.”

His understanding of this fact has made him appreciate the opportunity at hand all the more. “It’s not just a typical international program where you talk about how business is done elsewhere,” he says. “In this case, you actually experience it.”

He adds, “I haven’t heard it stated this way elsewhere, but in my opinion, while this program focuses on the Americas,

“It’s not just a typical international program where you talk about how business is done elsewhere. In this case, you actually experience it.” —Jon Haworth

the things you learn can transfer elsewhere. It’s really a global program, even though it’s not marketed that way.”

Fassinger agrees. “Jon is right that the learning can transfer,” she says. “We just made the decision to be more thorough about the nuances in the Americas, rather than spread ourselves too thin across many cultures.”

Congruent to the Culture

Michael Bowling, EMBA’97, grasps the idea of transferring knowledge as well as anyone. He talks with satisfaction about his experience as an Executive MBA student and how it helped him prepare for his current role as President of AT&T Mexico—a remarkable leap considering that he had never traveled outside the U.S. prior to his Owen experience.

Bowling went to work for AT&T 21 years ago with an electrical engineering background, but it was his desire to explore a different career path that brought him to Vanderbilt.

“I looked for a program that had the kind of impact that I thought I wanted on my career,” he says. “I wanted an exec-



Michael Bowling

utive program to learn the business half to help in my progressions.”

The lessons he learned were invaluable, he says, adding that Owen planted the

seed that led him to work in Venezuela, Peru and now Mexico. “On our class trip [the required international residency], I think it was the first one for the EMBA’s, we were here in Mexico City,” he says, recalling that he sat in the city center and “sketched out a plan to be an expat.”

After that trip, he became determined to take his career global.

“And here I am,” he says with a laugh.

These days, he’s loaning his expertise to Fassinger and her colleagues at ITAM in Mexico City. “I’m very positive about the program,” he says. “I think it will be great.” In particular, he believes the expanded international study component will pay off.

“It’s critical for leaders in business today to not just understand, but to be able to be effective in a global environment,” he says. “What you’re trying to do is reach your business objectives, but they should be congruent to the foreign culture you’re operating in. You aren’t going to be able to change the foreign market to fit your paradigm.

“The ones who aren’t successful are the ones who can’t drop out of their own mindset, the ones who say, ‘This is how we do it in the U.S.’ You might as well say, ‘This is the way we do it on the moon.’”

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For more about the Owen School’s expertise in the Americas, see page 48.

World of Good

Julie Fraser, BA'87, MBA'91, is on a mission at the World Bank

By SETH ROBERTSON

WHEN JULIE FRASER ARRIVED IN KABUL, Afghanistan, in January 2002, it was clear that the mission at hand would be unlike any she'd had before. The Kabul airport had been one of the primary targets of the U.S. invasion three months earlier, and the widespread destruction was evident as soon as she stepped off the plane.

"There were parts of bombed-out aircraft littering the tarmac—a fuselage here, a tail piece there—and all the windows in the airport had been blown out," Fraser says. "We also were advised not to wander off the tarmac since the airport was heavily mined."

At the time, Fraser was a 10-year veteran with the World Bank, an international financial organization dedicated to fighting poverty in developing countries worldwide. She was used to challenging assignments in faraway places, but the mission to Afghanistan was her first in a war-torn area. As part of the initial joint World Bank and International Monetary Fund mission to help the country rebuild, she and her colleagues operated under the tight security umbrella of the United Nations. In the early going, there were only 83 UN international staff, including Fraser, allowed in the country at any one time—because 83 was the maximum number of passengers the plane could hold if they had to be evacuated at a moment's notice.



Fraser, pictured here at Band-e Amir Lake in Afghanistan, spent five years in the country managing the World Bank's energy program and leading donor coordination efforts for the energy sector.

All risks aside, Fraser looks back with fondness on the five years she ended up spending in Afghanistan. And she feels similarly about her other assignments as well, including her current stint as Senior Financial Analyst with the Southeast Asia Sustainable Development Unit in Bangkok. Her 20-year career with the World Bank—the only employer she has had since graduating from Owen in 1991—is a testament to the pleasure she takes in her job.

Fraser attributes this long tenure to the solid finance education she received at Vanderbilt. She says it has enabled her to enjoy a variety of assignments and grow as an employee. "Some posi-

tions at the World Bank are sector-specific, like being a road engineer or an agricultural economist," she says. "But with a finance background, you can work across a wide spectrum and have an interesting career."

Fraser also credits her colleagues for making the World Bank such a fascinating place to work. "They are smart, intellectually curious and deeply committed to the bank's mission—all of which makes it a stimulating environment," she says. "They also come from all over the world. It's not unusual to have a team dinner and for each person to be from a different country."

Today's World Bank, comprising the

International Bank for Reconstruction and Development and the International Development Association, is much larger in size and scope than the original institution, which was established in 1944 to assist with post-World War II reconstruction. In all, there are approximately 10,000 employees in more than 100 offices worldwide. These offices work primarily with governments to provide low-interest loans, interest-free credits and grants for investments in education, health, public administration, infrastructure, agriculture, finan-

“I’m proudest of my time in Afghanistan. One thing I liked about it is that I could feel the immediate effects of what we were doing.” —Julie Fraser

cial and private sector development, and environmental and natural resource management.

Fraser’s earliest World Bank assignments were with the Central Transport Unit working on railway projects in China and then Pakistan. During the early ’90s, the governments of both countries were considering reforming their respective railway systems, and she had the task of creating financial models showing the benefits of introducing private sector participation. The reform movements in both countries, however, made little headway. In the case of Pakistan, then Prime Minister Nawaz Sharif ultimately decided to appoint an army general to run the railway instead—a disappointing result after years of effort by Fraser and her colleagues.

Such experiences are not uncommon in World Bank work, Fraser explains.

Projects often can be slowed to a standstill by tangles of red tape and weak government capacity. “Dealing with the weak capacity in some of these foreign governments is probably the toughest part of my job,” she says. “Many times when you’re trying to get something done that should be relatively easy, you end up going from pillar to post.”

Fraser, however, is quick to add that a successful mission more than makes up for the frustrating moments along the way. “The best part of all,” she says, “is being able to go into the field and

see the people who are benefiting from our projects.” As evidence, she points to her recent work with rural electrification in Cambodia and Laos. In the case of the latter, a project financed by the World Bank has dramatically increased Laotians’ access to electricity—from 16 percent of the population in 1995 to approximately 70 percent today.

“It’s so rewarding to go into a rural village and see families who have electricity for the first time in their lives,” she says. “They no longer have to read by kerosene, and their kids are able to study at night.”

Yet of all the missions Fraser has undertaken, she says none has been as edifying as the one to Afghanistan. The devastation caused by generations of conflict meant that the World Bank was able to have that much more of an impact upon its arrival in 2002. Even the tiniest steps of progress could be appreciated on a wide scale.

“I’m proudest of my time in Afghanistan,” she says. “One thing I liked about it is that I could feel the immediate effects of what we were doing. In other places it’s not so easy. You may not see the benefit of your work until a couple of years after the project closes.”

In Afghanistan, Fraser managed the World Bank’s energy program and led donor coordination efforts for the energy sector. Among her more memorable experiences was working closely with Ismail Khan, a former mujahedeen commander whom President Hamid Karzai appointed as Minister of Energy. Khan had made a name for himself as a fierce and sometimes ruthless leader during the war against the Soviets, and yet there he was, a conservative Muslim working shoulder-to-shoulder with Fraser—a Westerner and a woman, no less—to spur rebuilding efforts.

“There was such a strong feeling of the need for everyone to work alongside one another to get things done, and the hardships we faced together made it that more meaningful,” she says.

In a way, this observation could describe not just her mission to Afghanistan, but every one of her stops around the globe. If Fraser has learned anything from logging all of those miles, it’s that no one can tackle the toughest humanitarian problems alone.

“You come out of business school thinking that you can solve any issue, but seeing the scope of these problems can be daunting,” she says. “I guess that just makes it all the more gratifying when you can come together to bring about some good in this world.” **VB**



WORLD BANK

The image features three women standing in front of a wood-paneled wall. The woman on the left has short blonde hair and is wearing a grey blazer over a white collared shirt and dark trousers. The woman in the center has dark hair and is wearing a black blazer over a black and white patterned scarf and a black skirt. The woman on the right has long blonde hair and is wearing a light-colored blazer over a white top and a matching skirt. In the background, the Huntsville Hospital logo (a stylized 'H' in a square) and the text 'HUNTSVILLE HOSPITAL' are visible on the wall.

HUNTSVILLE
HOSPITAL

Best of
Health

MM Health Care program offers the right
prescription for Huntsville Hospital



By JENNIFER JOHNSTON
Photography by JOHN RUSSELL

Few people get to witness the evolution of a brand new hospital from an insider's perspective. Even fewer get to play a hand in how it takes shape. Yet, thanks in no small part to Vanderbilt's Master of Management in Health Care program, four health care administrators from Huntsville, Ala., have had just such an opportunity.

From left, Faith Rhoades, Carol Slivka, Kelli Powers and Nat Richardson

Kelli Powers, Nathaniel “Nat” Richardson, Faith Rhoades and Carol Slivka—all members of the MM Health Care Class of 2011—spent the better part of the yearlong program collaborating on a capstone project to evaluate a new facility being built by their employer, Huntsville Hospital. Their project has continued to influence decision making in the organization well after graduation, but it isn’t the only part of their studies that has left a lasting impression. During their frequent trips up Interstate 65 to the Owen School, the four forged deep bonds with each other and their classmates, and the resulting friendships and experiences they’ve taken back with them on the southbound return have been life-changing.

“I haven’t felt so pumped about a program and the educational experience in a long time,” says Richardson, Vice President of Operations at Huntsville Hospital. “What’s been energizing has been the number of individuals in the classroom who are so spread out across the health care spectrum. We sit in a room with so many dynamic minds.”

Richardson was the first from the Huntsville team to commit to the MM Health Care program, which is designed to provide students with the business fundamentals and skills to manage people, programs and processes within health care organizations. While firmly entrenched in his present position, he wanted to further his education through a degree that would have direct benefits for his current job and career trajectory.

Richardson heard about the MM Health Care program from Jeff Samz, Chief Operating Officer of Huntsville Hospital and former CEO of the Vanderbilt Heart and Vascular Institute. “He knew I was seeking the next level in my career,” says Richardson, who aspires to a C-level position at a large hospital system. “This program seemed to provide the most value and also aligned with where I am in my career.”

Samz’s and Richardson’s enthusiasm soon caught the attention of Slivka, Huntsville Hospital’s Director of Finance; Rhoades, Director of Medical Staff Services; and Powers, CEO of Athens Limestone Hospital, which is affiliated with the Huntsville system. Rhoades had begun graduate work elsewhere but readily switched gears for the chance to study at Vanderbilt with her colleagues.

“When the human resources director asked me if I was interested in changing to Vanderbilt, I said, ‘In a nanosecond,’ because of the reputation of the school and because I had a chance to take it with three other people from my organization. That’s life support,” Rhoades says. “The other contributing factor was the health care focus.”

Slivka shares this sentiment. “I don’t see myself doing something outside of health care. If you’re going to do this at this point in your life, you want to have some immediate take-away and provide some real-life value back to your company,” she says. “Huntsville Hospital has been willing to make an investment in me for knowledge I’m going to bring back and use. I really like that part of it.”



Jeff Samz, who had previously worked at Vanderbilt University Medical Center, brought the MM Health Care program to the attention of his colleagues at Huntsville Hospital.

Huntsville Hospital enthusiastically backed the team approach to graduate education as it naturally aligned with the organization's succession planning. "They're interested in advancing their careers, and it's a way for us to retain some of our top people," Samz says. "Investing in them, we think, will pay off not only in the skills they learn in the program but it will keep them with us." Samz also believes the fact that the four formed a "working pod" will continue to benefit the organization in the long term.

The program was appealing to Huntsville Hospital in other ways, too. There was Vanderbilt's stellar academic reputation to consider, as well as the MM Health Care program's flexible format, which is geared toward working professionals. Plus, the students were exposed not only to Vanderbilt University Medical Center, which is widely regarded for its patient care, research and biomedical education, but also to Nashville's dynamic health care business

"First we expose [students] to a radically broader view of the world. Then we bring the world into the classroom. This can only be done a few places in the country." —Mark Frisse

community, which includes Hospital Corporation of America and a variety of other health care companies.

"There's just nothing else like the Nashville market," Samz says.

The Future of Health Care

"What the world needs is changing," says Dr. Mark Frisse, MM Health Care Faculty Director, Professor of Management and Accenture Professor of Biomedical Informatics at Vanderbilt. He explains that the MM Health Care program helps students see way beyond the limits of their institutions to the future of health care.

"First we expose them to a radically broader view of the world," he says. "Then we bring the world into the classroom. This can only be done a few places in the country."

Larry Van Horn, Associate Professor of Management and Executive Director



Larry Van Horn played a key role in launching the MM Health Care program.

of Health Affairs at Owen, adds, "The cost, quality and access problems facing the U.S. health care system are monumental. The clinician who understands the science of medicine and the science of business is in a position to create more value for our health care system."

MM Health Care students attend classes every Thursday night and one weekend each month. Traditional B-school classes—such as marketing, finance, accounting, logistics, operations and leadership—are taught on weeknights, while the weekends are dedicated to health care. Frisse believes the classroom experience serves as a great leveler for everyone in the

program. "You can't tell the doctors from the administrators," he says. "They have a uniform identity. They're all students."

The classroom benefits the faculty as well, he adds, noting that the high caliber of students helps energize the instructors. "The best teachers want to run these classes because they learn from these experiences," he says.

During the course of the year, students develop close friendships, becoming sounding boards for one another. "Every day we're texting or Skyping or emailing. Everyone relies on one another. Everyone wants everyone to succeed," says Rhoades, who came into the program with a bachelor's degree in health care management.

Richardson echoes that sentiment. "There's a wealth of knowledge in that room. Everyone is from different walks of



Mark Frisse

life and different regions of the country,” he says. “You can’t put a price on that much mind value.”

For Rhoades, the lessons of the classroom often can be implemented at work on Monday morning. She credits the high-quality instructors. “That started from Day One in the very first class. That is what knocks the socks off me. They are beyond experts,” she says.

Powers agrees. “It could not have been timelier. I’m looking at productivity and wait time [at Athens Limestone], and I’ve been able to bring what I’ve learned back to work,” she says. “It’s wonderful to be able to discuss ideas with people who don’t necessarily report to me.”

Meanwhile Slivka’s co-workers noticed a positive change in her right away. “I have a different set of eyes and I analyze things a little bit differently,” she says. “My boss said he can tell a difference in the way I look at things and in the comments I’ve made.”

The degree is perfectly suited for students like the four from Huntsville, says Sarah Fairbank, MM Health Care Program Director. “I tell prospective students we are designed for two kinds of people,” she says. “It’s for people who have been ‘siloed,’ who are working in a narrow field with lots of specialization. That might be a contracts person, a supply chain specialist, someone from the finance side or a physician with a narrow specialization in medicine. These are people who need a broader view of health care, along with management tools.

“The other type of person we see is someone who is coming into the health care field with a generally technical background—an operations specialist or IT specialist who has worked in other industries and is now in health care.”

Students range in age and experience. Some are young professionals preparing for a future in health care, while others are midcareer and ready to move up the ladder. There are also physicians who later in their careers want to use their accumulated wisdom in new and different ways.

A key element of the curriculum is personal coaching since the students are often

transforming their own roles within their organizations. “The coaching was phenomenal,” Powers says. “It has helped me get on track and be more productive. I’m a very organized person, but I’ve learned that I need to devote specific time to reading articles and delegating.”

The average time commitment outside the classroom for the MM Health Care degree is at least 10 to 15 hours per week, though the initial learning curve may be steep at first for students who have been out of school for many years. In addition to these hours, the Huntsville students had to shoulder the extra commitment of traveling further than most students—approximately 100 miles each way. The routine is intense, Rhoades admits, but still very doable. “It’s such an achievable goal, so it takes the pain out of the travel,” she says.

Rhoades says it helped that members of the Owen community were standing ready to ensure their success throughout the whole process. This was no more evident than when deadly tornadoes ripped through northern Alabama last April. Staff, faculty and fellow students rallied to assist the Huntsville team and their communities.

“The support has been incredible. They pay such close attention to the needs of the students,” Rhoades says. “We in Huntsville have especially realized that. In bad weather, when it became clear we couldn’t get there, they quickly rounded the wagons and got some technology together. We had a live class by tapping in electronically.”

Breaking New Ground

As professionals make their way up the ladder, Fairbank explains that the challenge becomes, “How do you get people to look at you differently?” An integral part of fast-tracking that change in perception is another key part of the curriculum: the capstone project, an eight-month consulting engagement during which a team, usually of four people, takes on an institutional problem as if they were professional consultants. Through the project, the students are able to demonstrate immediate economic value by tackling important organizational issues.



Sarah Fairbank

“We seek to ensure that everyone coming out of our program projects a dramatically enhanced identity within their organization,” says Frisse, who oversees the teams’ work.

For the Huntsville team, their capstone project’s focus was evaluating the potential impact of a brand-new hospital in Madison, Ala., a community outside of Huntsville. The Madison area is growing, vibrant and affluent, with an average household income of \$90,000. Many residents are scientists and engineers working for NASA, the defense industry or technical firms.

The group concentrated specifically on how to position obstetrics services in Madison. “This is the first hospital to be built in Alabama in many years,” Rhoades says. “Not very many people get to participate in building a hospital from scratch. But we also had to consider that we belong to a hospital system with other hospitals that we need to be concerned about. It’s not all about us. This is about creating the best business for everyone so that we’re all successful.”

The Huntsville system first built a wellness center, physician office building and urgent care center on the property in Madison. The success of those ventures demonstrated the viability of a hospital. “Owen helps you think strategically, and that’s what [the new hospital in] Madison is all about,” Rhoades says. “Many years ago, the strategic planning began with a purchase of land. It began with a vision and a goal. Everything you gain from Owen classes and programs ties into that kind of scenario. I put it into practice every day in my job.”

For Powers, the capstone project was particularly interesting since the new hospital in Madison had the potential to impact her facility, Athens Limestone Hospital, the most. While some factors will remain unknown until the facility is up and running next year, Powers says the planning process helped alleviate undue concern about the new hospital’s potential impact and shifted the focus to the strategic side.

Richardson adds that building obstetrics

services around the strategic mission of each of the hospitals makes sense, since the birth of a child often provides a family’s first exposure to a medical facility. “We have to get it right so that the mother and the child have the absolute best experience,” he says. “And we have to make sure that we design it so we don’t hurt the other hospitals. We may eventually find that it’s best to provide those services primarily at one hospital. It’s a very delicate situation, and we have to get it right.”

Besides generating practical ideas for Huntsville Hospital to implement, the project also helped the students learn how to work together as a team. “The strength of

“When the human resources director asked me if I was interested in changing to Vanderbilt, I said, ‘In a nanosecond,’ because of the reputation of the school and because I had a chance to take it with three other people from my organization. That’s life support.” —Faith Rhoades

our team is that we’re coming at the project with different knowledge skill sets. We all come from diverse areas that are all important to the outcome we seek,” Richardson says. “I love writing and doing the research and pulling things together. Kelli has a global perspective on what other organizations are thinking. Carol looks at everything from the financial standpoint: What’s the bottom line impact from the standpoint of income statements or the balance sheet? Faith brings the whole physician perspective to the table.

“Now I appreciate my team members at a whole different level.”

Richardson also appreciates just how far he himself has come during a year’s time. It has been a journey marked not so much by miles logged on the odometer or hours in the classroom, but rather by immeasurable moments of progress. In the end, the MM Health Care program delivered him closer to his lifelong goals and gave him something that should pay dividends the rest of his career—confidence.

“I know I’m ready for my next project,” he says, “no matter where or what that’s going to be.”

VB

Taking Shape

*Vanderbilt's Shape the Future campaign
and its impact on the Owen School*

By SETH ROBERTSON

When Board of Trust Chairman Martha Ingram announced the trustees' approval of a new Vanderbilt fundraising campaign in January 2001, no one could have predicted just how successful it would end up being. Thanks to the generosity of 204,000 donors, the *Shape the Future* campaign, which came to a close this past July, tallied more than \$1.9 billion against a \$1.75 billion goal. These sizeable numbers, however, tell just part of the story. The campaign's success is best appreciated on a more personal scale—through the stories of individual donors, whose gifts are changing the lives of students, faculty, staff and others across campus. Here we look at several campaign gifts that will have an impact on the Owen School for many years to come.

By the Numbers

How Owen figured into the campaign

The Owen School raised more than **\$91.5 million** against a campaign goal of **\$85 million**.

The highlights include:

\$34 million for new endowed scholarships

\$19.8 million for programs, research, facilities and technology

\$17.3 million for new faculty chairs

\$11.5 million for unrestricted and discretionary funding, which led to the creation of innovative new offerings such as the MAcc, MSF, MM Health Care, Americas MBA and Accelerator programs

\$8.8 million for funding with pending designations



NEIL BRAKE



Bess Henderson's husband, Bruce Henderson, BE'37, became a professor at Owen in 1985 after retiring from The Boston Consulting Group (BCG), the global management consulting firm he founded in 1963. Mrs. Henderson worked for BCG for 20 years, retiring at the same time as her husband.

FACULTY CHAIR

The Bruce D. Henderson Chair in Strategy, which Bess Henderson endowed in memory of her late husband, enables a faculty member to teach corporate strategy and conduct cutting-edge research of business practices and other essential issues facing CEOs and experienced managers.

“Bruce was devoted to Vanderbilt his entire life. He was an active alum, serving on the School of Engineering’s Committee of Visitors for a number of years. Establishing a graduate school of business at Vanderbilt resulted in long correspondence with other early advocates. It was Bruce’s belief that Owen would become one of the top-rated business schools in the country. I can think of no better way to perpetuate my husband’s legacy in the field of strategy, as well as to honor his memory, than the endowment of this chair.” – Bess Henderson

STUDENT SCHOLARSHIP

The Sagebrush Fund Scholarship, which was endowed by Dale Leo, MBA'05, and Wesley Murry, MBA'06, is available to one incoming first-year student each academic year. The scholarship is intended for those students who have demonstrated: (1) an interest in entering the field of finance, (2) an excellence and drive in both their careers and previous education, and (3) both the maturity and desire needed to become outstanding stewards of the school.

“Establishing the scholarship is a smart investment in the future of business education at Vanderbilt. The seed of our success was sowed within the walls of Owen, and it’s our goal to pay it forward in hopes of inspiring future business leaders and current alumni to do the same.” – Wesley Murry

“Investing in Owen is a no-brainer. It’s where the smart money goes.” – Dale Leo



Dale Leo (left) and Wesley Murry are Founder and Principal, respectively, of Sagebrush Investment Partnership LP, a privately managed investment fund. Leo has worked in the hedge fund industry since 1999; Murry has worked in both consulting and real estate since 2001.



STUDENT SCHOLARSHIP

The Hans R. Stoll Scholarship, which was endowed by Thomas Ho and his wife, Mabel Chan, provides scholarship support for students whose intended MBA concentration is in finance or those who are pursuing an MSF degree. The scholarship is named in honor of Ho's longtime friend and colleague Hans Stoll, the Anne Marie and Thomas B. Walker Jr. Professor of Finance and Director of the Owen School's Financial Markets Research Center.

"Professor Stoll is a founder of modern finance who has contributed significantly to our understanding of financial markets. Moreover, he is an outstanding scholar who has dedicated himself to the pursuit of knowledge and excellence in education. Mabel and I hope that this scholarship will inspire students as Professor Stoll has inspired us all." —Thomas Ho

Thomas Ho is President of Thomas Ho Co., a New York-based financial company that licenses portfolio and risk systems and provides professional services in risk management. He also serves as the FMRC Research Professor of Finance.

JOE HOWELL

Worthy of the Name

E. Bronson Ingram chairs leave a lasting legacy

David Ingram, MBA'89, made several significant gifts to the Owen School during the campaign, including six endowed faculty chairs named in honor of his late father, E. Bronson Ingram.

Those chairs are currently held by the following faculty:

Nick Bollen, the E. Bronson

Ingram Professor of Finance

Paul Chaney, the E. Bronson

Ingram Professor of Accounting

Dawn Iacobucci, the E. Bronson

Ingram Professor of Marketing

Michael Lapré, the E. Bronson

Ingram Professor of Operations Management

David Parsley, the E. Bronson

Ingram Professor of Economics and Finance

Steve Posavac, the E. Bronson

Ingram Professor of Marketing

STUDENT SUPPORT

The Jim and Leah Sohr Family Foundation gift supports the Entrepreneurship Center at the Owen School. The gift provides up to five \$25,000 awards annually to Owen students who have developed a detailed business concept deemed viable by their peers and the center's faculty. This financial support will allow student entrepreneurs to advance the process of building and growing their own businesses.

"Owen helped prepare me for life as an entrepreneur. What better way to give back to the school than to allow future graduates to share in the dream of becoming successful entrepreneurs themselves, who then can provide jobs and give back to their own communities. I also wanted to help Owen compete with other top-tier schools in drawing the most capable students to campus." —Jim Sohr



Jim Sohr, BE'86, MBA'90, is the past President and Co-founder of AIM Health Care Services, which provides claims cost management services for government and commercial payers of health care benefits. Sohr is also the Co-founder of CorrectCare Solutions, a provider of health care services to correctional facilities.

Although the *Shape the Future* campaign has ended, the Owen School still needs funding for several key initiatives. Among the greatest needs are more endowed scholarships, improved technology and a new, larger facility that will help us compete with other leading business schools. Year in and year out, your generosity is crucial to our success, and we thank you for your continued support.

JOE HOWELL

Get a *check* from Vanderbilt!

Establish a charitable gift annuity with Owen and we'll pay you for life.

Benefits on a \$10,000 single-life charitable gift annuity*

Age	Annuity rate	Yearly income	Tax deduction
65	5.3%	\$530	\$2,516
70	5.8%	\$580	\$3,178
75	6.5%	\$650	\$3,839
80	7.5%	\$750	\$4,447
85	8.4%	\$840	\$5,285
90	9.8%	\$980	\$5,938

*minimum age of 65 and gift amount of \$10,000.
Deductions as of October 2011.

How it helps you

- Fixed payments for life
- Immediate income tax deduction
- Partially tax-free payments
- Possible capital gains tax savings

How it helps Owen

- Scholarships
- Research funding
- Faculty chairs
- Facility improvements

Learn more by contacting Linda Ray Miller
in Vanderbilt's Office of Planned Giving
at (615) 343-3113, (888) 758-1999 or
plannedgiving@vanderbilt.edu.

Owen in the News

The Wall Street Journal

May 4: Thirty years after the launch of the HP 12c, it's still common to find the calculator in heavy use among financial analysts. Alumnus **James Granberry**, MBA'11, a Partner with Oak Point Properties, runs a Facebook fan page for the beloved calculator and is quoted.

May 23: **Craig Lewis**, the Madison S. Wigginton Professor of Management in Finance, has been named the Securities and Exchange Commission's Chief Economist and its Director of the Division of Risk, Strategy and Financial Innovation (Risk Fin). *For more about Lewis, see page 6.*

June 6: Alumna **Susan Strayer**, MBA'07, Senior Director, Global Employer Brand and Marketing at Marriott International, is featured prominently in this article about the challenge of attracting newcomers to around 50,000 hotel positions this year. Many of the positions are in emerging markets such as India and China, which don't have strong traditions in the hospitality industry.



The New York Times

May 31: A social enterprise called Lumni has raised \$17 million to finance the education of a wide array of students in Chile, Colombia, Mexico and the U.S. in the same way startups are financed. Lumni, co-founded by **Miguel Palacios**, Assistant Professor of Finance, offers "human capital contracts" to people like Jairo Sneider, who grew up in a low-income, single-parent family in Colombia.

Bloomberg Businessweek

May 6: Seeking an edge in the job market, Chinese women are flocking to U.S. B-schools—enough to boost female enrollment overall. **John Roeder**, Owen's Director of Admissions, is quoted.

May 25: Kent Thiry, Chairman and CEO of DaVita, a leading provider of kidney care in the U.S., is pictured speaking to the **Owen School's Class of 2011** during Commencement.

Aug. 8: **Larry Van Horn**, Associate Professor of Management and Executive Director of Health Affairs at Owen, says it's mathematically impossible to keep up with the ever-growing costs of Medicare and Medicaid. He says he would tax the health insurance that companies provide to employees, which he estimates could bring in \$2.5 trillion over the next 10 years.

Forbes

July 25: Owen's **Leadership Development Program**, which partners with both Hogan Assessments and Korn/Ferry International, is mentioned as having some of the most innovative offerings of any business school.

Sept. 26: **Bruce Cooil**, the Dean Samuel B. and Evelyn R. Richmond Professor of Management, is interviewed about an article he co-wrote, "Customer Loyalty Isn't Enough. Grow Your Share of Wallet," which appeared in the October 2011 issue of the *Harvard Business Review*. One of the article's other co-authors is alumnus **Timothy Keiningham**, MBA'89, Global Chief Strategy Officer and Executive Vice President at Ipsos Loyalty.

Fortune

Sept. 14: Facing a tough job market, underemployed graduates of professional schools have begun to speak up, some even suing their former institutions, claiming they were duped into acquiring massive debt loads based on the promise of a secure, six-figure-salary job. That promise is particularly critical at business schools, where graduates expect a quick financial payoff as well as an education. **Read McNamara**, MA'76, Executive Director of the Career Management Center, and **Emily Anderson**, Senior Associate Director of the Career Management Center and Co-chair of the MBA Career Services Council, are quoted.

NPR

Aug. 15: If being invested in a wildly unpredictable stock market worries you, you're definitely not alone. In fact, there's an index to measure that nervousness, and even trade on it. It's called the Market Volatility Index, or VIX, but it also goes by another name: the fear gauge. **Bob Whaley**, the Valere Blair Potter Professor of Management in Finance and creator of the VIX, is quoted. *For more about Whaley, see page 8.*

CNBC

June 10: Alumnus **Rob Morgan**, BS'83, MBA'84, Chief Investment Strategist at Fulcrum Securities, was a guest panelist on *The Call*, a Wall Street news program co-hosted by Larry Kudlow and Melissa Francis.

Reuters

June 1: Fixed income trading revenue is falling, and some of the best minds on Wall Street disagree on whether this is temporary weakness or slow death. **Hans Stoll**, the Anne Marie and Thomas B. Walker Jr. Professor of Finance, is quoted.

Associated Press

June 24: Nashville Mayor Karl Dean, JD'81, wants to capitalize on the city's recent momentum with the Nashville Music Council, a 60-member group that draws together the music community, city leaders and business interests to find ways to leverage Nashville's unique position as an all-purpose hub that's home to more than just country music. The music council recently partnered with the Nashville Entrepreneur Center, a tech business incubator run by **Michael Burcham**, Lecturer of Entrepreneurship.

Entrepreneur

May 5: To make the best business decisions, your prefrontal cortex—the “executive” part of the brain—must be coaxed into action. **Dick Daft**, the Brownlee O. Currey Jr. Professor of Management, who says that the average person spends only about 2 to 10 percent of each day using the prefrontal cortex, offers several suggestions for harnessing the right frame of mind to make money and improve productivity.

The Dallas Morning News

Aug. 19: Associate Professor of Management **Ranga Ramanujam**, whose research focuses on the organizational causes and consequences of operational failures in high-risk work settings, is interviewed about the prevalence of safety problems at Dallas' Parkland Memorial Hospital.

GreenBiz.com

June 9: AT&T wants to shift more than half of its expenditures to suppliers that track their carbon footprints and save \$40 million a year by reducing energy use. The telecommunications giant revealed these and other new goals today with the release of its 2010 Sustainability Report, which was prepared using feedback the company received from **students at the Owen School**.

Nashville Business Journal

Aug. 2: Among leadership changes including a new CEO, Cracker Barrel has appointed **Jim Bradford**, Dean of the Owen School, to the company's board.

The Tennessean

July 13: From January to March of this year, more than 1,800 medical, health and dental offers were published on daily deal sites in the U.S. When the deals are offered, they sell like half-price hotcakes, but some consumer experts and physicians don't think it's a good idea. **Mark Ratchford**, Assistant Professor of Marketing, is quoted.

For more media mentions, visit the newsroom page at owen.vanderbilt.edu.

“CLAS”

Lifelong Learner *Frank Bumstead, MBM'72* | Budapest Rendezvous | CityOwen Recap

LIFELONG LEARNER

'72

FRANK BUMSTEAD, MBM'72, admits he really didn't know what to expect when he enrolled in Vanderbilt's Graduate School of Management in 1970, soon after finishing a tour in Vietnam as a mine warfare officer. The school, which had yet to adopt the Owen name, was young then and trying to establish its identity, much like Bumstead himself. Yet by the time the Dallas native graduated two years later, he had a strong appreciation for what the school had taught him.

"The most important thing the Owen School teaches you is how to learn," he says. "It's important to keep an open mind and commit to being a lifelong learner because the world changes. Two years from now, things won't be the way they are today."

That lesson has proven particularly valuable in Bumstead's career. While an Owen student, he had a job with then Tennessee Gov. Winfield Dunn's administration and thought that he might continue working in state government. Instead he ended up going in a very different direction: Since 1990, Bumstead has been a Principal with Flood, Bumstead, McCready & McCarthy (FBMM), a financial management firm representing clients in the music industry. Among those on the roster are country artists



Frank Bumstead at the FBMM office in Nashville

Keith Urban, Taylor Swift and Rascal Flatts, as well as acts like The Black Keys, Kings of Leon and Danger Mouse.

FBMM, which has offices in both Nashville and New York, is one of the few firms to offer clients what is known as tour accounting. "The money is in touring today," Bumstead explains. "Years ago, artists toured so that they could sell records. Today they try to sell records so they can tour. Our job is to make sure that every nickel owed our clients actually gets to them and that their expenses are only the ones we and/or the clients authorized."

Looking back on a career that has

spanned 40 years, Bumstead can point to many things that have played a hand in his success, from education to effective business partnerships. Yet if he had to narrow it to one reason, he'd say it's something he learned early on, growing up in a low-income family.

"I never felt entitled," he says. "I always felt challenged and threatened. I felt like I had to work a little bit harder and learn a little bit more and be more attentive because I'm certainly not the sharpest knife in the drawer."

—SETH ROBERTSON

JOE HOWELL

S A C T S ”

| EMBA Class of 2011 Fulfills Challenge | One Class, Five Weddings | The Owen Network in Action

Budapest Rendezvous

THIS SUMMER PETER VERUKI, Owen's Director of Corporate Relations, traveled to Budapest, Hungary, with his wife, alumna Judy Spinella, EMBA'93, Vice President and Project Leader at B.E. Smith. While there, they met up with several local Owen alumni at a rooftop restaurant overlooking the city. Pictured from left to right are Peter Holtzer, MBA'94, Partner at Oriens Asset Management; Tibor Hejj, MBA'94, Managing Partner at Proactive Management Consulting Ltd.; Veruki; Spinella; and Gyula Hajdu, MBA'97, Regional Marketing Director, Eastern Europe, at MasterCard Europe.



PETER VERUKI

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.

Birmingham Sept. 8

C.T. Fitzpatrick, MBA'90, hosted an event at the offices of Vulcan Value Partners. David Owens, Professor of the Practice of Management and Innovation, spoke.

Boston Oct. 4

Tim Clark, MBA'97; Frank Kimball, MBA'86; Van Simmons, BE'82, MBA'86; Kurt Volk, MBA'99; David Walker, MBA'89; and Derek Young, MBA'91, hosted the inaugural CityOwen Boston event at the Harvard Club.

Knoxville Oct. 27

The inaugural CityOwen Knoxville event was held at the offices of Bush Brothers & Co.

Memphis Sept. 14

Thomas Hussey, MBA'98, and Kevin Kimery, MBA'93, hosted an event at the Memphis Hunt and Polo Club.

New York Oct. 12

Brian Appleton, MBA'02; Andrew Bogle, MBA'04; Shannon McDonald, MBA'04; and John Roberts, MBA'83, hosted the Wall Street Week Reception at the Union League Club.

South Florida Oct. 18

Tom Janson, EMBA'02; Paul Jardon, IEMBA'99; John Mackle, IEMBA'99; and Laurencio Ronquillo, MBA'03, hosted the inaugural CityOwen South Florida event at Fadó Irish Pub in Miami.

If you are interested in starting a CityOwen group where you live, please contact Alumni Relations at (615) 322-7409.



From left, Tom Janson, Paul Jardon, John Mackle and Laurencio Ronquillo in downtown Miami



Executive MBA Class of 2011 Fulfills Scholarship Challenge

THIS PAST SPRING BRUCE BROCKENBOROUGH, EMBA'01, PRESIDENT AND CEO OF HANNAN SUPPLY CO., issued a challenge to the Executive MBA Class of 2011. If they would raise at least \$145,000 for their class gift with 100 percent participation, he would pledge money of his own to help launch much-needed scholarships within the EMBA program. The Class of 2011 responded by raising a total of \$150,000—the largest amount ever raised by an EMBA class—with every student contributing. Brockenborough followed through as well, and the combined gifts established both the Brockenborough Family Scholarship and EMBA 2011 Scholarship funds, which will provide financial support for deserving EMBA students.

"CLASS ACTS"

ONE CLASS,
FIVE WEDDINGS



CONGRATULATIONS TO THE FOLLOWING COUPLES
FROM THE MBA CLASS OF 2009!

Bella Parekh and Matt Abel
Amanda Hopkins and Matt Dauphinais
Amanda Pullins and Nate Fend
Lisa Stowers and Ed Rottmann
Jessica McConnell and Serdar Sikca

The Owen Network in Action

THIS PAST SPRING RACHEL V. ROSE, MBA'05, Assistant General Counsel and Director of Business Development for BCE Healthcare Advisors, was given the task of developing a new website for her company. Unsure of where to send the requests for proposal, she sought the advice of her former professor and fellow alumnus, Bruce Lynskey, MBA'85, who used to teach entrepreneurship at the Owen School.

Lynskey recommended she talk with another Owen graduate: Jonathan Weindruch, BA'98, MBA'04, Founder and Principal at Websults, a website development firm. After Lynskey put Rose and Weindruch in contact, Websults ultimately was selected through the RFP process, and the website was completed successfully.

"Appreciating the caliber of graduates Owen produces and the faculty we were exposed to, it was reassuring to work with Jonathan, and I'm grateful that Bruce connected us," Rose says.

Weindruch adds, "It's always great to work with fellow Owen grads on website design and development projects. They view websites through the lens of an MBA, which in the end helps to produce better results. The shared Owen experience facilitates a great partnership and working relationship."

Do you have an example of the Owen network in action? Send us your story at owenmagazine@vanderbilt.edu.



Rose



Lynskey



Weindruch

Save the date for Owen Alumni Weekend!
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BOTTOM LINE

continued from page 48

which Vanderbilt has maintained ties for more than 50 years.

For Victor and Edward Fischer, who directs the Center for Latin American Studies, LP's Brazil challenge offered a unique opportunity to work closely with a hometown company on an element of its global strategy, while giving MBA

“We wanted to teach them—and the students—how to answer or think about the problem themselves. That’s what we do in academics.”—Bart Victor

students at a partner school the chance to gain real-world learning experience. The pair co-authored a case study based on the problems LP faced in Brazil and presented it to a class of executive MBA students at FIA in Sao Paulo.

“We made it very clear to LP that we weren't acting as consultants who would come up with a set of precise strategy recommendations,” Victor says. “We wanted to teach them—and the students—how to answer or think about the problem themselves. That’s what we do in academics.”

Victor says the key question involved thinking through what elements of LP's Chile strategy didn't apply in Brazil.

“If they could answer that question, they could really start to build a stronger Brazil strategy,” he says. “Let's think about this in a careful, thorough way. Let's test the assumptions and unpack the logic. And yes, it mattered that we

had this conversation with executive MBA students in Brazil because they know how business gets done there.”

Broken into six teams, the 40 Brazilian students studied the LP case for several weeks before returning to a daylong session with LP executives and course instructors to discuss their findings.

While the students came up with some nonstarters—like a suggestion to spend

millions on local advertising—much of the advice coalesced around the idea that LP not try to do too much too quickly. “They said we needed to slow down, that we needed to find ways to create market acceptance,” Frost says.

The students helped LP realize that where Chile had sought foreign investment in the country, Brazil tended to be more protective, not just of its markets, but also of its workers. Frost says those insights prompted the company, for starters, to team up with steel workers to show how its products could help save on their material costs. LP also began working more closely with the Brazilian government to help deliver on a need for subsidized housing. Frost says the country has called for 4.5 million homes to get built over three years. LP's involvement with builders engaged in that effort allows those in the construction industry to experience the company's products,

encouraging local governments to adopt LP materials into their building codes, leading to wider acceptance in upper- and middle-tier markets.

“I don't know if the class gave us a panacea, but it certainly gave us enough to know that what we were doing wouldn't work,” Frost says. “It's also nice to know that we have this kind of expertise in our backyard at Vanderbilt.”

Working through Vanderbilt's Executive Development Institute on the Brazil project, Frost says there are no formal arrangements in place for more programs, but would welcome similar opportunities.

Says Frost, “You know, I've been thinking a lot about Argentina and Colombia”

For more about the Owen School's efforts in the Americas, see the cover story on page 18.

VB

Building on Expertise

Vanderbilt helps LP break through in Brazil

By RYAN UNDERWOOD

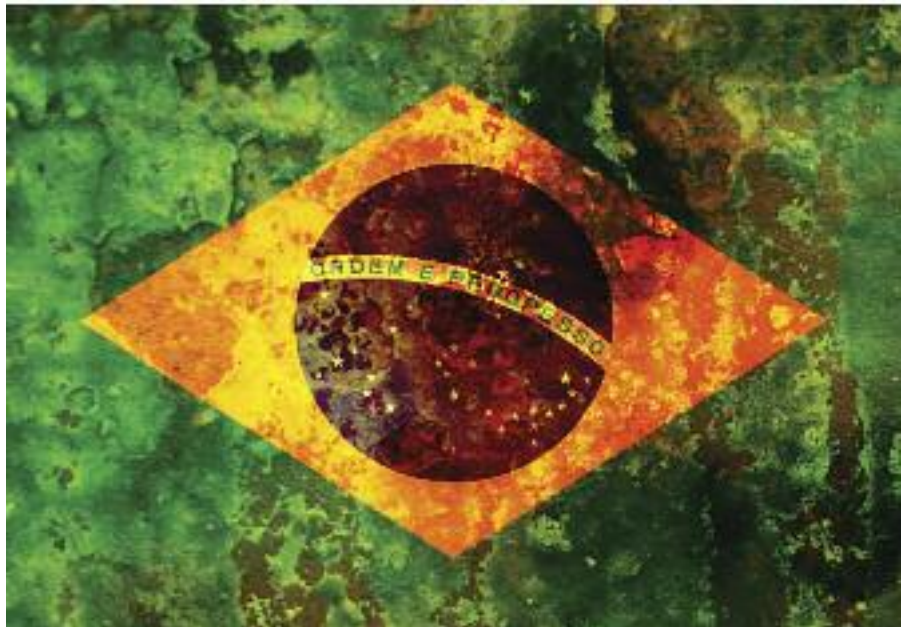
A version of this article originally appeared in VB Intelligence on March 28, 2011.

WHEN BUILDING-PRODUCTS MAKER LP Corp. purchased a production facility in Brazil more than two years ago, it did so hoping to replicate the kind of success it was experiencing in neighboring Chile.

For nearly a decade, LP had been working to introduce its plywood-like oriented strand board (OSB) into the Chilean market—no easy task since houses there have traditionally been built with brick. Nevertheless, the country was developing rapidly, and Chile’s pro-business government was eager to assist foreign companies in creating local jobs, and in LP’s case, introducing innovative new building methods and materials.

All told, Nashville-based LP has seen its revenue attributable to Latin America grow from around \$3 million a decade ago to more than \$150 million in 2010, with a significant amount coming from Chile. Currently that figure represents more than a 10 percent slice of the company’s annual \$1.3 billion in annual revenue.

As those gains accumulated, company CEO Rick Frost turned his gaze to Brazil, a country 10 times larger than Chile, with a youthful population expected to spark demand for as many as 14 million new homes over the next decade. That works out to a rate of about 1.4 million new houses built every year, a figure on pace with the U.S. market. “The beauty of Brazil is that we don’t have to hit a home run—just a single or even a bunt—and we’d fill the capacity of that new mill,” Frost says.



Brazil’s large size presented both an opportunity and a challenge for LP Corp.

So with its Chilean playbook and new Brazilian factory in hand, the company worked for a year to understand the market and prepare alternative strategies in a country whose land mass rivals China and has some of the most populous cities in the world. But it didn’t seem appropriate simply to copy what had worked in Chile.

“To think that we could take what we learned in Chile and just transfer it to Brazil would be very naive,” Frost says. “For starters, we ran up against the sheer size difference in the two countries. Chile is much smaller, so it was easier to get things done there.” Brazil also has what Frost calls an “impermeable bureaucratic wall” that makes it hard for a foreign company—even one that had

acquired a local production facility—to work its way into the construction industry like LP had done in Chile.

Around the time that Frost started to realize that LP wouldn’t be able to copy its Chilean strategy and apply it to Brazil, he happened to mention the company’s Brazil conundrum during a CEO luncheon on doing business in Latin America that was co-hosted by the Owen School’s Executive Programs and the university’s Center for Latin American Studies. The two groups quickly tapped Bart Victor, the Cal Turner Professor of Moral Leadership, who studies developing markets, as well as faculty at FIA Business School, a private offshoot of the University of Sao Paulo, with

Continued on page 47

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