

# OWEN@Vanderbilt

VOLUME 22/ISSUE 2  
SUMMER 2002

M A G A Z I N E

**eLAB** RANKS FIRST

**SELIG** ADVISES  
GRADUATES TO  
STEP UP TO PLATE

**OWEN** BRINGS  
BUSINESS AND  
TECHNOLOGY  
TOGETHER

**AS A RECRUITER,  
FEDEX DELIVERS**

**BOLTON** TAKES REINS  
OF JOURNAL OF MARKETING



**Global Business**  
OWEN'S World-Class Ticket to Success



### 100% OWEN HONORED FOR WORK WITH CHILDREN

100% Owen received one of the highest honors in Nashville last spring, when it was named a finalist in the group category for the Mary Catherine Strobel Volunteer of the Year Award. Nominated by the PENCIL Foundation, 100% members tutored children at three area schools every week for two years as part of the PENCIL Foundation's Reading Partners. The award honors the memory of the late Catherine Strobel, a Nashvillian devoted to community service.

Pictured are 1) some of the Owen reading partners; 2) Ako Kobayashi '02, coordinator, tutoring Marchelle Ward, student at Fall Hamilton School; and 3) those attending the Strobel awards luncheon: Catherine Rowbotham, second-year student and member of 100% Owen Leadership Team; Cindy Stauder, counselor, Fall-Hamilton School; Ann Johnston, program director, Reading Partners; Ako Kobayashi, '02; Laura Deason, associate director of Student Services and Events; Kelly Christie, director, Academic Programs and Student Services; Luke Froeb, associate professor and club advisor; and Hanna Compton, program manager, Reading Partners.

Other 100% Owen activities included Race for the Cure, Second Harvest Food Drive, Hands on Nashville, Habitat for Humanity, among others. PHOTO

PHOTOS BY DAVID CRENSHAW AND TOMMY LAWSON



# OWEN@Vanderbilt

MAGAZINE

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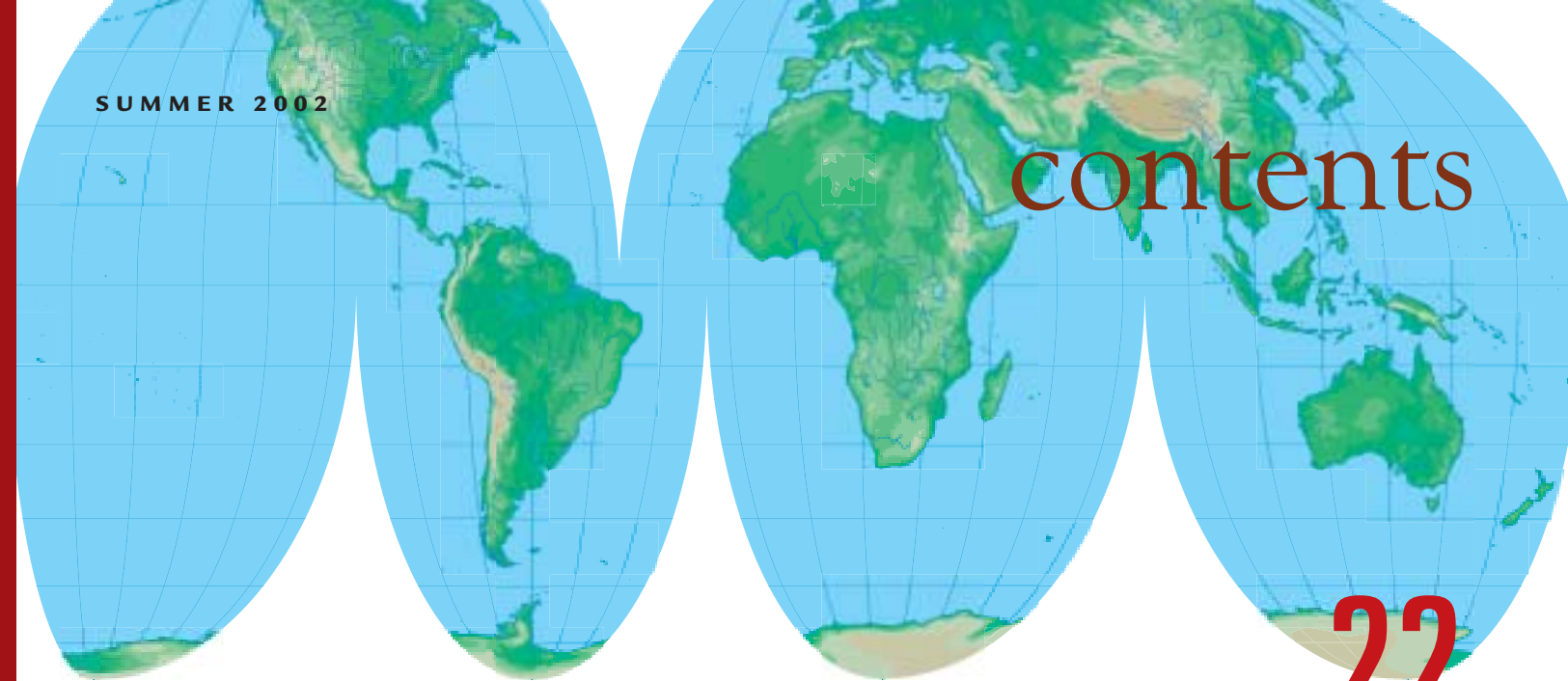
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## eLAB RATED #1 BY GOOGLE

eLab, the nation's first academic research center dedicated to the study of e-business, under the leadership of professors Donna Hoffman and Tom Novak, has been named the No. 1 e-commerce research center in the world by Google, the largest search engine on the World Wide Web.

Google ranked eLab ahead of projects at Texas, MIT, Carnegie-Mellon, Stanford, Maryland, and UC-Berkeley, among others. Projects were ranked based on quantity and quality of links to the sites.

"We're excited that Google rated us No. 1," Novak says. "This ranking reflects the value people place on the research available through our eLab Web site."

"Thanks to Vanderbilt's investment in eLab, we're in a strong position to maintain and strengthen this lead as the 'go to' site on the Internet for reliable and useful information about digital commerce," Hoffman adds.

The *New York Times* also named eLab "one of the premier research centers in the world for the study of electronic commerce."

In 2001, eLab became the first research center to build an entire infrastructure to study actual online consumer behavior. eLab consists of virtual experiments and surveys, live destination Web sites, and an online consumer panel providing an extensive subject pool for Web-based surveys and experiments fielded in the virtual lab. In conjunction with its predecessor, Project 2000, eLab has helped dozens of companies integrate the Internet into their business strategies.



eLab web page:  
<http://elab.vanderbilt.edu>

## DAVID INGRAM CHAIRS CAMPAIGN COMMITTEE

David Ingram, '89, chairman and president of Ingram Entertainment, Inc., is chairing the Owen Campaign Steering Committee. The committee is charged with matching critical needs of the School with potential donors to meet those needs, enabling Owen to rise to the next level as a world-class institution for management education.

Serving on the committee are James C. Bradford Jr.; Amy Jorgensen Conlee, '77; James H. Herring, '89; David C. Kloeppe, '96; William C. Oehmig, '73; Phil Pfeffer, GS'68; Liz Shults, '96; Professor Hans Stoll; and Donald E. Townswick, '92.

"I look forward to working with the committee members and Dean Bill Christie at this pivotal time to continue Owen's success in educating tomorrow's business leaders," Ingram says.

Owen School graduates and faculty



David Ingram

are helping to shape the future in areas of finance, management, e-commerce, non-profit, strategy, and human and organizational development. To increase this positive trajectory, and to continue to recruit the best students and faculty, the Campaign has desig-

nated human capital as its top priority. Goals include raising \$20 million for scholarships and \$20 million for faculty chair endowments.

Other priorities include raising unrestricted endowments for such research centers as eLab, the Financial Markets Research Center, and the Entrepreneurship Center, and funds for a much-needed building addition.

## JOHN INGRAM MATCHES FACULTY/STAFF GIFTS

In an unprecedented gesture, and as an incentive to promote giving, John Ingram, '86, chairman of the Ingram Book Group, offered to match every new dollar received from the recent Owen faculty/staff campaign. The matching gift totalled \$22,963. Ingram is chair of the Owen Associates program.

## AN INSIDE LOOK AT ENRON

What caused Enron to plummet from national icon to national scandal within a matter of months?

Hubris and ego, and that the masters of risk negation couldn't manage their own, suggested two alumni and former Enron employees at an Owen symposium last spring that examined the company's downfall and aftermath.

"The Enron experience was nothing short of jaw-dropping," recalled one of the alums. "Working there was personally rewarding because of the cutting-edge transactions and business approaches and the colorful personalities. But eventually, I noticed many Enron businesses were starting up and failing. It didn't make sense; I couldn't see where the company was going."

"Enron was attractive, because there I could be a partner in a 'deal' rather than a consultant as I would be in investment banking," said the other alum. "I worked with some of the best VPs in the company, but at the end of the day, I didn't see that we added value."

Enron reformed and dominated two major industries: natural gas and power, and its locker room atmosphere attracted employees who were young, aggressive, smart, and innovative. "In that environment, it's almost impossible not to have a big head and feel like you can do anything."

The goal for an Enron superstar manager was to cut huge deals quickly that would book a lot of money and not impact the balance sheet, they said. "At the end of the year, you



Faculty members on the Enron panel: Hans Stoll, Bart Victor, and Debra Jeter.

wanted dollar signs by your name." Enron businesses operated in a gray area, which added to the problem. "In many cases, the businesses moved faster than the regulatory rules. Enron had great control procedures; it just came down to poor business decisions."

Other speakers discussed the wider effects of the collapse and what might be done to prevent similar situations.

Hans Stoll, the Anne Marie and Thomas B. Walker Jr. Professor of Finance, suspects there is no smoking gun, but that various factors came together to inflate the earnings of the company and caused the collapse when those earnings were no longer there.

"Enron raises many issues of a policy nature. We definitely need change in the area of disclosure and in the areas of checks and balances in a company."

"There has been an overreaction insofar as some are saying the account-

ing model failed, and we need to build a new one from scratch," said Debra Jeter, associate professor of management (accounting). "Accounting is always in a state of overhaul. But this has been a wake-up call for investors, auditors, and managers. Investors need to work harder at interpreting earnings reports. Auditors should not let clients play with numbers. And managers should stop asking what they can get away with. That kind of strategy does not pay off in the long run."

The Enron debacle has all the trappings of a Greek tragedy, Bart Victor, the Cal Turner Professor of Moral Leadership, told students. "I encourage everyone to watch the tragedy and learn from it. Enron isn't the last of these events. But that doesn't mean that business is dishonorable. It means your profession has the potential for dishonor in it, and you need to be prepared for this."

# inside OWEN

## PRIME SPACE

Students, staff, faculty, and visitors are enjoying Owen's new digs. More than \$2 million was spent last year on much needed improvements in Management Hall. Students now have their own lounge with plasma television and other amenities, and more and better study rooms. Information technology and development staffs, as well as some faculty, have new offices, and the dean's conference room and the library received necessary upgrades. (See library improvements, page 6.)

Despite these enhancements, Owen is still "spaced out." A long term initiative is to acquire space exclusively for executive education and programs with an external focus—freeing up Management Hall for day students and providing room for a growing executive education program, a potentially critical source of revenue for Owen.

*Owen constructs a unified and professional look.*

PHOTOS BY PEYTON HOGE AND DAVID CRENSHAW





Recent design changes enhance Walker Management Library's business look.

PHOTOS BY PEYTON HOGE

## WALKER MANAGEMENT LIBRARY—THE BEST AND GETTING BETTER

Were they not so modest, library personnel could be waving a “We’re No. 1” sign at Walker Management Library.

The library ranked number one among business school libraries for the fifth straight year in the latest student survey for the *Princeton Review*.



Occupying one quarter of Management Hall, the library was designed to be an integral part of the Owen School community. Improvements made during Owen’s \$2 million construction makeover last year have further enhanced the environment.

Library Director Brent Mai and his staff came up with a novel way to make the library flow through a wall of windows into the landscaped courtyard by moving the carrels, which obstructed the view, upstairs to the library’s second floor.

Replacing the carrels are six circular tables, each seating six students and configured with a tower of electrical plugs in the center. No data port plugs are necessary since the Owen School is a wireless environment. Comfortable couches and chairs face the courtyard, and a new, improved lighting system has been installed.

Also new to the first floor is a large conference table outfitted with state-of-the-art Net Vista computers. “We wanted to give the first floor more of a business look than a library look,” Mai says.

Two new study rooms on the first floor have been added to the 12 study rooms on the second floor. Study rooms are a hot trend among business school libraries, says Mai. “Students do much of their work in teams and want places where they can get together and not have to be quiet.”

Other changes include two new of-

fices for librarians and a new staff lounge.

By far the most popular improvement was to the heating and air-conditioning system. “Our library was known as ‘The Deep Freeze’ 12 months a year,” Mai says. “The students would run around with gloves and jackets in May. Now the library’s climate can be adjusted appropriately.”

The Walker Management Library joined three other libraries within Vanderbilt’s Jean and Alexander Heard Library System—the Anne Potter Wilson Music Library, the Peabody Education Library, and the Alynne Queener Massey Law Library—in making recent additions and renovations that redefine library use.

“Although we are building a new virtual library, we must not forget that many faculty and students still depend on the physical library as a place for discovery, study, and contemplation,” says University Librarian Paul Gherman. “The recent physical improvements to a number of our libraries underscore the need for attractive and inviting academic space.”

—Lew Harris

## BIS—OWEN’S INFORMATION BROKER

Ever wonder how much carrot cake is consumed per capita in the United States? Or what features truckers want in their rigs? How about locating pictures of saber-toothed tigers? These are some of the more unusual requests fielded by the staff of the Owen School’s Business Information Service (BIS).

BIS was created in 1984 to offer corporate access to the Walker Management Library’s reference books, electronic databases, and custom research services.

The request for the saber-toothed tiger came a few years ago from an advertising agency in the process of developing a logo for Nashville’s then unnamed hockey team. Those who attend Nashville Predators’ home games see the huge saber-toothed tiger floating above the crowd at the Gaylord Entertainment Center.

About 65 clients currently enjoy BIS’s personalized reference assistance and guaranteed confidentiality, and some have borrowing privileges. (Owen alumni have free privileges to use the Walker Library and check out materials.)

Some companies use the service for competitive intelligence. “One company wants to be updated about their industry and their competitors once a month,” said Leslie Reynolds, BIS manager.

Library Director Brent Mai says the library offers every database available to support the curriculum and research needs of students and faculty. It is the kind of attention to detail that has enabled the Walker Library to rank number one among business school libraries for the fifth straight year. The

rankings are based on a student survey conducted by the *Princeton Review* for use in its *Best Business Schools* guide.

In addition to the databases, researchers use financial reference books and tap faculty expertise. A common misconception is that the World Wide Web and online databases have made reference books grow dusty on library shelves. In truth, Reynolds says, reference books are important tools that complement electronic resources.

BIS does not charge for reference queries that can be answered in less than 15 minutes. Regarding carrot cake, it was discovered within 15 minutes that carrot cake was the third most ordered cake in restaurants, trailing chocolate cake and cheese-cake, respectively.

BIS also offers a document delivery service. When a client provides the citation, Document Delivery Specialist Nancy Campbell usually can have a copy of the complete article or information in the client’s hands in less than 24 hours.

For information about the Business Information Service, phone (615) 322-2728, fax (615) 322-5136, or e-mail [bis@owen.vanderbilt.edu](mailto:bis@owen.vanderbilt.edu).

### Library Services Available to Alumni

#### On-Site Access, Borrowing, and Reference Services

After graduation, an Alumni VU-Card (obtained from Room 184 of Sarratt Student Center—one time processing fee of \$10) provides all Vanderbilt alumni with free access to Walker Management Library and



other Vanderbilt libraries. In the Walker Library, alumni may check out books, use most electronic databases, and receive assistance with research. Telephone reference assistance is also available (615) 322-3960.

#### Research Services

Alumni may request that staff of the Walker Management Library conduct research and locate documents for them through the Business Information Service: (615) 322-2728; fax (615) 322-5136; email [bis@owen.vanderbilt.edu](mailto:bis@owen.vanderbilt.edu). Membership fee for this service is waived for Vanderbilt alumni, who also receive a discounted research rate (\$75/hour vs. \$100/hour—plus database charges).

#### Remote Database Access

Vanderbilt alumni may purchase exclusive remote access to several databases through the *Business Suite from Owen@Vanderbilt*. The *Business Suite* currently includes ABI/Inform through NetContent; CareerSearch; Business & Company Resource Center; PROMT (Predicast Overview of Markets and Technology); General Business File ASAP; and Expanded Academic ASAP. Subscriptions to the *Business Suite from Owen@Vanderbilt* are available for \$29/month or \$299/year.—Lew Harris

## CAREER DIRECTIONS

*CMC Director and Staff Embark on New Paths to Link Students with Career Opportunities*

That Melinda Allen became director of the Career Management Center (CMC) in January in one of the worst job markets in recent history doesn't faze her. In fact, the experienced career professional wouldn't have wanted it any other way. Having graduated in two bad job markets herself—from undergraduate and graduate school—and having worked at Emory's Goizueta Business School as associate and interim director of the Career Management Center, she has the toolkit to help students in these uncertain times.



DAVID CRENSHAW

Michelle Farley landed a summer internship with GE Capital through an interview using Owen's video conferencing equipment. The equipment has been invaluable during the economic slump causing companies to scale back on travel.

"This economy pushes you to be creative in reinforcing and improving current relationships with employers, and in initiating relationships with new employers. A business school environment quickly teaches you how fast the economy and industry can change," she says. "You need to sense what is going on around you and proactively and realistically make adjustments to your short and long term plans. That is what we ask students to do, and we as

staff have to do so as well."

The CMC's short term plan is to employ more aggressive techniques (i.e., city trips) to create job opportunities for students. "There will be a continued effort to reach out to major geographical regions across the country and world in which students are interested. Owen has high caliber students and programs; our goal is to increase awareness of this quality product."

The CMC also has initiated an executive recruiting fair for students, exposing them to a greater array of jobs in the hidden market. "The best way to find jobs is through networking. Many jobs never get posted; employers would prefer to have strong internal referrals, hedging their bets on the success and commitment of an employee. This has not changed—students need to network even more aggressively in a down economy."

New programs have been instituted to enhance networking capabilities and opportunities. Professors have contacts that can be leveraged, classmates are great resources for previous employers, and alumni can give tips and provide insights into opportunities available in their industries. "We have kicked off an Alumni Networking Teams program, being piloted in four cities across the country, to assist in connecting alumni with current students to provide job search assistance geographically."

The greatest challenge in the job search process awaits the majority of students leveraging their MBA in order



PEYTON HOGE

Allen

to change job function and/or industry. "Companies now want to hire people with experience who can hit the ground running. It is still possible for graduates to transition industries later, but in the meantime, they need to continue adding to their skill set and building their network. For this reason, the CMC has initiated more on-the-job type training sessions, including 'Training the Street' for students interested in investment banking, and 'Brand Management 101' for students interested in brand marketing.

"In the longer term," she says, "we want deeper and stronger relationships with all of our companies. This means involving them not only in recruiting, but also in executive education, development, and in the classroom. By partnering with the other external marketing professionals at Owen, we can continue to achieve synergies between the corporate world and academia."

Allen added to her skill set through her master's in human resource development from Georgia State University,

and her previous jobs at the National Kidney Foundation of Georgia and the 1996 Olympics, where she headed staffing for the Olympics Arts Festival. The degree improved her leadership skills and ability to provide quantifiable measures. The jobs underscored the value of people. "My mother taught me at an early age that people can accomplish anything if you motivate them, manage and take care of them, and provide them with the tools to do the job."

She also knows firsthand the value of networking. After finishing her degree in August 2001, she lined up several job opportunities before going on vacation. "Then September 11 occurred, and the economy changed. Had I not been networking since January, the loss of those job prospects would have been a major setback. But instead, I ended up at Owen. In hindsight, I can't imagine being anywhere else."



DAVID CRENSHAW

Glen Fassinger, E'93, right, one of many alums who participated in Career Information Day, discusses the job market with Andy Ward and Libby Urbauer.

Her staff is one of the best in the nation, she believes. "They are passionate about Owen and the direction the School is headed, and will do what it takes to continue the positive trajectory. The payoff for alumni is the value of their education continues to appreciate." —Beth Matter

## ENTREPRENEURSHIP PROGRAM PROVIDES REAL-TIME EXPERIENCE

The Entrepreneurship Program provides students with opportunities for hands-on experience at both large and start-up companies, leading in some cases to internships and jobs. Thirteen students volunteered through the program to help Gaylord Entertainment Company this past year with its strategic planning process.

Gaylord assigned students to one of several businesses: Gaylord Opryland Hotel, Springhouse Golf Club, Grand Ole Opry, General Jackson Showboat, Ryman Auditorium, and CorporateMagic, a creative services company in Dallas, recently acquired by Gaylord. In all of the projects, students were faced with three key issues: environment, people, and project complexity.

"We were given a short ramp-up time, charged with leading the strategic planning process in each business, and empowered to do what we needed to do in order to bring it to reality," says Ben Marks, an '02 graduate.

Marks and Patrick Chaffin, another May graduate, worked with CorporateMagic early in the year to integrate the company into Gaylord, and developed the business's strategic direction for the next three years. Marks, Chaffin, and Virginia Carter, '02, in a later mod developed a unique financial model for use in evaluating future markets for Gaylord's signature hotel/re-



DAVID CRENSHAW

From left: Virginia Carter, Ben Marks, Patrick Chaffin, and Jason Morgan, '95, vice president of strategy and planning

sort/convention center concept.

"Through these projects, I applied and refined the skills I learned at Owen in financial management, strategic management, project management, operations, and change management," adds Marks, who since has joined Gaylord as director of strategic planning/corporate. Another '02 graduate, Todd Siefert, is Gaylord's new director of strategic planning/Gaylord Opryland Nashville Resort.

## BASEBALL COMMISSIONER ADVISES GRADUATES TO “KEEP EYE ON BALL”



Commissioner Selig and Dean Christie

Baseball Commissioner Allan H. (Bud) Selig told the 193 full-time MBA and 61 Executive MBA graduates of the Owen School that although major league baseball enjoyed record attendance last year, he is “dedicated to leveling the playing field and to implementing the necessary changes to help the game continue to grow.”

Selig, speaking at Commencement May 10, said that baseball is a business that shares the same sorts of

problems as any other venture, and, as a seasoned business leader, he advised the graduates not to back down from the challenges they will face.

“There are times when the issues at hand are so critical that you must keep your eye on the ball, so to speak,” Selig said. “Don’t be distracted by your critics. Stand your ground, and take the consequences that come. Always do what you think is right.”

The Commissioner was introduced by Adjunct Professor Edmund Fitzgerald, who recalled the day a young man by the name of Bud Selig came to his office and said he needed Fitzgerald’s help in bringing major league baseball back to Milwaukee after the Braves left for Atlanta.

Selig, Fitzgerald, and other investors were successful in buying the defunct Seattle Pi-

lots out of bankruptcy court in Washington in 1970 in order to bring them to Milwaukee. “I sometimes wondered if I should have agreed to help Bud because I gave up all my free time for the next 20 years,” Fitzgerald quipped.

During his talk, Selig acknowledged the criticism that has been lodged against him in the years that he has headed Major League Baseball, and said he thinks most of it has been unfair.

“I’ve been in baseball for 40 years. Many people in the game suffer from what I call the ‘Scarlett O’Hara Syndrome’—they see a problem but say they’ll think about it tomorrow. Well, tomorrow is here,” he said. “Some people want to maintain the status quo; I can’t do that. I must do what’s right for the game of baseball.”

Selig outlined some of the changes he is pursuing, including wanting to



Graduates celebrate their home run.

see improvements in the revenue differential between teams that results in a \$100 million disparity in club payrolls.

He also predicted contraction of the leagues, something the owners support. “Some teams don’t generate enough revenue and have no hope of

doing so,” he said.

Selig said baseball is experiencing a renaissance and expressed optimism about the future growth of the game. He anticipates more interest in the game because of its diversity. Some 26 percent of current major league players were born outside of the United States, resulting in an international fan base, he said.

One highlight of the awards portion of Commencement came when Dean Bill Christie presented a special Lifetime Achievement Award to J. Dewey Daane, the Frank K. Houston Professor of Finance, emeritus, at Owen. (See the complete list of award recipients below.)

### MBA Awards

**Founder’s Medalist:** Mara Peskin  
**H. Igor Ansoff Award:** Amy Mandell  
**Flournoy A. Coles Jr. Prize:** Casey Jones  
**Bruce D. Henderson Merit Prize:** Christopher Ambrose  
**Matt Wigginton Leadership Award:** Muthukumar Krishnan  
**Owen Service Award:** Ben Elrod, Laura Taylor, Chris Ward

### EMBA Awards

**Dean’s Award for Academic Excellence:** Mansoor Parvaiz  
**Martin S. Geisel Award for Leadership in Executive Education:** Harsha Bhojraj

### Faculty Awards

**Dean’s Award for Research Productivity:** Craig Lewis  
**Dean’s Award for Research Impact:** Luke Froeb  
**James A. Webb Jr. Award in Excellence for Teaching:** Debra Jeter  
**EMBA Outstanding Teacher Award:** David Scheffman

## EMBA’s LEAD WHILE LEARNING



Antonio Gomez, Kemp Conrad, and Kevin Roddey are three of the EMBA students who started a chapter of the Phoenix Club in Nashville.

Memphis resident Kemp Conrad only spent every other weekend in Nashville while pursuing his Executive MBA degree, but that didn’t stop him from getting involved in his adopted city and making a difference.

Conrad, a May graduate and member of the Phoenix Club, which raises funds for the Boys and Girls Clubs in Memphis, noticed there was nothing like the Phoenix Club in Nashville and decided to start a chapter. “Some of my friends also were looking for a way to do something great for the community while building long-term relationships. I felt this would be a good way to do it.” Fellow EMBA students Antonio Gomez and Kevin Roddey joined him in the effort.

The club, which meets Fridays at noon at Loews Plaza Hotel, now has 50+ members and has raised in excess of \$35,000 for the Boys and Girls Clubs of Nashville. Guest speakers have included Vanderbilt Chancellor Gor-

don Gee, Dean Bill Christie, and former Vice President Al Gore.

“Leadership in business is not just about leadership in your company; it’s also about leadership in your community and state,” says Conrad, vice president of Accuship, a supply chain technology company in Memphis. “The Boys and Girls Clubs help change lives by providing a home away from home for under-

privileged children.”

Conrad says about 98 percent of the children who participate in the Boys and Girls Clubs graduate from high school, making them more likely to get a job or go to college, contribute to society, and, ultimately, create a better workforce for Nashville.

—Lew Harris



Some student service projects become an alumni tradition. Seven years after graduating, EMBA’95 alums still gather every year to provide manpower for the annual Artists for Oasis benefit, a practice they began in school. The Oasis Center serves teens and families in meeting challenges of adolescents, with programs ranging from counseling and education to leadership development. Participating classmates are Cynthia Testerman, Nelson Andrews, Corey Napier, Robert Henry, Debra Grimes, and Brad Eskind.



Dean Bill Christie awards Mara Peskin the Founder’s Medal.

## APPOINTMENTS

**Academic Programs:** **Laura Deason**, former assistant director of Admissions, is now associate director of Student Services. **Betsy Karounos**, former Admissions operations assistant, is assistant director of Academic Programs.

**Admissions:** **Kathleen Winningham**, associate director of MBA Admissions and Marketing, comes to Owen from the University of Florida College Of Dentistry, where she served as assistant director of medical/health administration. **Sue Miller**, previously event coordinator in Vanderbilt's Division of Student Life, is MBA Admissions/customer service assistant.

**Career Management Center:** **Emily Anderson, '99**, has returned to campus as associate director of the CMC. She previously worked at Hewlett Packard and as a financial analyst for

Agilent Technologies. **Rebecca Alexander**, assistant director for recruiting and operations, served as center director for Sylvan Career Starters and as a personnel recruiter with Burton Personnel Resources, Inc. **Teresa Stephens**, previously a freelance copy editor, is office manager.

**Dean's Office:** **Sybil L'heureux**, former administrative assistant in the dean's office, is now facilities manager for Owen. **Beverly Whetstone**, formerly an administrative assistant in Executive Education, is now program coordinator in Corporate Relations. **May Woods**, also formerly an administrative assistant, has been promoted to program coordinator.

**Executive Education:** **Hermano Rocha, IE'98**, owner of PanAmerican Imaging Corp. in Davie, Florida, has

returned to Owen as director of Executive Programs. **Becky Fritts**, former activities coordinator, has been promoted to program coordinator.

**Institutional Planning and Advancement:** **Bob Crowover, '93**, joined the Institutional Planning and Advancement staff as associate director of development. Owner of Corporate Frame Service in Nashville, he also served as chief financial officer for Allied Communications Corporation. **Sylvia Boyd**, assistant director of IPA, previously served as IPA administrative assistant in regional development, and as assistant in the Owen Alumni and Development office. **Mercy Eyadiel**, former assistant director of recruitment and operations for the Career Management Center, is director of alumni programs.

## MARKETING MADNESS

PHOTOS BY DAVID CRENSHAW

*Katye Bratton, in photo at right, takes a unique approach for marketing her product—Lifesaver Kickerz—in the annual Marketing Madness event, while Fang Wan, a judge and post doc in marketing, takes her own kick at the product. Sponsored by the Owen Marketing Association, the event attracted field reps from 3M, General Mills, Georgia-Pacific, Unilever, Kraft, Ford, Jack Daniels, Budweiser, Gallo Bartles & James, Compaq, Hershey, and Pepsi.*



## WEEKEND EVENTS MARKET OWEN TO PROSPECTIVE STUDENTS

Five times a year the Owen Admissions staff become “Weekend Warriors,” sparing no effort to attract highly sought after students.

What started as one weekend recruiting event several years ago has evolved into five separate weekend events during which Director of Admissions Todd Reale and his staff showcase the Owen School to prospective students. Three of the events have averaged nearly 80 percent yield (students who accept offers of admission), a quantum leap in comparison to the average rate of 48 percent yield for the entire class.

“The weekends give students a feel for the Owen culture and allow them to visit campus without missing a day of work,” Reale says. “The events introduce prospective students to Owen faculty and students and some of our prominent alumni. We also plan events for spouses and significant others.”

Preview Weekend in November enables prospective students to learn about Owen early in the admissions process. Last year, 68 percent of the

50 students who attended and were admitted chose to enroll.

Diversity Weekend in December is open to everyone but is especially targeted to prospective female, U.S. minority, and international students. A year ago, this event attracted 39 prospects and produced a 38 percent yield of admitted applicants.

Community Weekend, the newest event, is held in February. Like the other weekends, it features a faculty presentation, career management overview, and an admissions question-and-answer session, as well as a student organizations fair and a hands-on case review with faculty and current students. The premier event attracted 67 participants with a 79 percent yield.

“It provides a ‘day in the life’ feel of an Owen student,” says Kathleen Winningham, associate director of Admissions. “Participants have the opportunity to immerse themselves in the



Shandra Pickens and Larry Wei, '02, discuss Owen's attributes during Diversity Weekend.

Owen community and experience the collegial, team-oriented environment that is such a strong part of the School's culture.”

Top candidates compete for one of 10 prestigious Dean's Scholar Awards during Scholar's Weekend in March. About 25 outstanding admitted applicants currently residing in the continental U.S. are invited. Nominees are reimbursed for travel to Nashville and hotel expenses, and compete for the \$10,000 stipends through a panel interview comprised of students, faculty, staff, and alumni. The yield from Scholar's Weekend has averaged 52 percent during the last four years.

Welcome Weekend, held in April, is a special event for admitted applicants only. It includes a reception, faculty presentations, panel discussions, a career management workshop, and a discussion of financial aid issues. Last year 107 students attended, with a resulting yield of 79 percent.

“The weekends have worked really well,” Reale says, “but we couldn't do it without the help of our students, faculty, alumni, and student graduate assistants, who do much of the logistical work.” —Lew Harris

## SCHOOL MOURNS DEATH OF EXCHANGE STUDENT

The Owen community was saddened last year by the death of Sut Man (Pastina) Cheong, 26, that occurred as a result of a brain aneurysm.

A native of Macau, China, Cheong was studying international management at the International University of Japan, when she came to Owen on an exchange program.

Remembering her as an excellent student and a delightful young woman, Owen provided her family with a scrapbook of pictures and

stories of her time in Nashville. Vanderbilt held a memorial service, and a stone with her name and dates of her birth and death has been placed in the Owen courtyard. IUJ also held a memorial service for Cheong, and planted a tree on their campus in her memory.



Cheong



## CONTESTS AND CHAMPIONS

Owen teams had a stellar year in case competitions, with two first places, one second place, and Owen students garnering first places as members of mixed-school teams. Following are the Owen winners, and their successful strategies.

### Carnegie Mellon Operations Case Competition

Can you say “smooth operators?” The Owen team that won the 7th annual Carnegie Mellon Operations Case Competition in November knew their stuff so well they beat out powerhouses Wharton, MIT, Yale, and the London Business School, to name a few. Owen’s score was 98.5, with MIT, the closest competitor, scoring 86. Keith Denny, ’01, e-GM business analyst, a judge in the contest, reported the judges had never seen a team as impressive as Owen’s. Judges’ comments included, “They had no holes in their presentation”; “They had the most in-depth analysis by far”; “Vanderbilt seemed to present better in front of the large group and under pressure”; and “They were the best presenters and worked as a team.”

The case: How to implement a technical solution to solve process and organizational issues faced by an automotive equipment manufacturer.



CMU Operations winners: Markus Lorenz, Amy Mandell, Larry Wei, and Ajay Gupta

Owen’s advantage included excellent preparation, members’ diverse backgrounds and relevant coursework, and presenter skills—“being able to create a solid deck and defend it under pressure,” say team members Amy Mandell, Larry Wei, Markus Lorenz, and Ajay Gupta.

### Carnegie Mellon Digital Strategy Case Competition

There was no digital divide in the Owen team that landed a second victory at a prestigious case competition at CMU in February. Captain Brawley Reishman and members Adrian Quintanilla, Kevin Dumont, and Sherif Shawky beat second-place winner MIT and third-place winner Pittsburgh, among other schools.

The case: Recommend ways in which technology could improve the efficiency and quality of health care services at two clinics run by the University of Pittsburgh Medical Center. Owen’s strategy was to divide the case into well-defined sub-projects, with each team member becoming expert in one area. In the week prior to the event, members gleaned advice from faculty and students knowledgeable of health care technology issues. “Rather than focusing too much on technology, we focused on strategy and ways in which to use technology to implement a pa-



CMU Digital winners: Sherif Shawky, Adrian Quintanilla, Brawley Reishman, and Kevin Dumont.

tient-centric solution,” says Dumont.

### Kenan-Flagler Case Classic

The importance of taking vitamins for life (Centrum vitamins, that is) was the key message of the Kenan-Flagler Case Classic. Centrum hosted the case competition in February to challenge students to strategically increase Centrum’s market share and bottom line. Four Owen students—Ozlem Birkalan, Courtney Brakebill, Kimberly Powell and Everett Stewart—participated in mixed teams of students from ten other business schools. The first place winner, Brakebill’s group, proposed recommendations to expand the four existing product categories—Centrum Kids, Centrum, Centrum Performance, and Centrum Silver, and introduced a new product, “Centrum Chews” to target the teen segment.

### Owen@Vanderbilt eStrategy Contest

Owen’s Frantic Pixels team, with members Santeri Leijola, Max Wolf, and Johan Hoover, placed second in Owen’s own eStrategy Contest in February, beating out four teams in the final round. Forty-one teams from 20 business schools competed in the first round in January.

The case: Analyze the U.S. interactive television market and develop



Kenan Classic participants: Ozlem Birkalan, Everett Stewart, Kimberly Powell, and Courtney Brakebill

strategic recommendations and a detailed business model for execution of the plan. The Frantic Pixels suggested jumpstarting the interactive TV market by simultaneously creating consumer pull and content push, while establishing Microsoft’s iTV platform as the industry standard. “To do this, we developed a two-phase marketing strategy and an industry revenue model that would satisfy all the value-chain participants and avoid anti-trust issues,” says Hoover. “Phase one of our marketing strategy was to target Xbox customers (16-26 year-old males) by building iTV decoder functionality into the Xbox and by co-developing content specifically targeted to this segment in an effort to reach a critical mass of viewers that would appeal to advertisers, networks, and cable/satellite operators. Phase two leveraged this critical mass to trigger third party content creation and additional cable/satellite operator partnerships.”

Other teams in the finals were another Owen team, Maryland, Chicago, Arizona, and Indiana, the first place winner and claimant of the \$25,000 prize. Sponsors included Microsoft, Gaylord Entertainment, and Compaq. More on the eStrategy contest will appear in the next issue of *Owen@Vanderbilt Magazine*.



eStrategy runner-ups: Santeri Leijola, Max Wolf, and Johan Hoover

### The Owen Challenge

And the winner was.....Owen! But then all competitors were from Owen in the first annual Owen Challenge internal case competition held in April. Owen began this competition to provide another opportunity for students to develop on-the-spot problem solving and persuasive presentation skills; to increase interaction between MBA classes, faculty, and alumni; and to showcase talent for corporate leaders and partner companies.

The case: Should Sunburst, a company typically aggressive in its acquisition strategies, acquire CiroTech even though it is experiencing HR, sales and marketing, finance, development, and information technology problems?

Winners Brian Powell, Jose Amden, and Michael Nelson said no. Instead, Sunburst should allocate capital for such internal initiatives as systems integration, employee retention program, process standardization, and a product driven sales approach. “Spending internally will help the company uncover unrealized synergies from previous acquisitions,” Nelson says, “The company should re-evaluate acquisition strategy in six months.”

Sponsors included First Tennessee, Dell, Deloitte Consulting, HCA, N-Cycles Software Solution, Conversant Re-



Owen Challenge winners: Brian Powell, Jose Amden, and Michael Nelson

lationship Marketing, Vital Chek, Deutsch Bank, and alumni Kevin Crumbo, E’96 and Bruce Lynskey, ’85. Cash prize was \$6000.

### MBA Net Impact Case Competition

How to integrate a company’s earnings with environmental and social concerns was the topic for the MBA Net Impact Case Competition at UC Boulder in April. Owen sent students Betsy Soltesz, Heather Keays, Ed Briscoe, and Jeff Jarchow to compete on mixed school teams. Soltesz served on the winning team and shared in the cash prize.

The case: Analyze Unocal’s 1997 natural gas extraction and pipeline project near Burma, which was critical to the company’s ability to serve the Asian fossil fuels market. Obstacles included significant trade sanctions against the country, due to severe human rights violations by the Burmese government, and criticism of environmental issues, which impacted Unocal’s stock price. “Our strategy looked at financial consequences of possible decisions, focusing on the environmental and social impacts of those decisions, and long-range effects of the decisions on the business as a whole,” Soltesz says.



Net Impact winner: Betsy Soltesz

## LEADERSHIP IN TIMES OF CRISIS

Imagine taking the reins of a global conglomerate one day and having the catastrophic effects of September 11 land on your lap the next.

That's what happened to Jeffrey Immelt, who succeeded Jack Welch as chairman and CEO of General Electric September 10.

On Immelt's second day, GE suffered tremendous losses: two of the planes involved had been owned and leased by GE Aviation Services; all of the aircraft engines were GE engines; GE Employers Reinsurance Corporation had reinsured the World Trade Center Towers; and NBC, owned by GE, ran an unprecedented amount of news coverage without a single advertisement.

This translated into a third quarter pretax loss for GE of \$600 million, coming on the heels of 40 successive quarters that didn't miss an expecta-



Seegers

tion on Wall Street.

How Immelt handled the situation is a brilliant lesson in leadership, said Harvey Seegers, CEO of GE Global eXchange Services, and a Distinguished Speaker at Owen last year.

"Immelt first focused on people—instructing his business leaders to send power generation and rescue equipment to the WTC site without regard



The Owen School remembered victims of September 11 last year as part of an overall campus observance. Immediately after the attack, Dean Bill Christie verified the safety of more than 100 Owen alumni working in New York City, many in the World Trade Center. Three Vanderbilt undergraduate alumni, however, did lose their lives in the tragedy: Terrence (Ted) Adderley, A'01; Davis (Deeg) Sezna, A'01; and Mark Hindy, P'95.

to payment, so GE could be part of the solution," Seegers said. "He encouraged GE employees who serve as volunteer firemen, policemen, or engineers to leave work and help out. Only then did he assess damage to the company, reporting impacts one by one to the board of directors.

"With the board's consensus, he went public with the bad news as quickly as possible. Because he did this before rumors could start, the stock hardly moved. He reported that the change was associated with the catastrophe, not a fundamental change in the business economics around our markets.

"Immelt handled the crisis correctly because he understands context," Seegers continued. "He took care of people first, communicated the extent of the damages, and only then got back to business, inspiring people to

overcome what probably has been the most difficult social and economic environment in more than a generation."

Seegers himself faced a difficult situation September 11. The airplane that crashed in Pennsylvania was thought to be heading toward Washington, D.C., and his building is only 10 miles from the Pentagon. "I didn't think my

### SEEGERS' SIX MISTAKES TO AVOID

- Kissing up and kicking down.
- Advancing too fast.
- Wearing your ambition on your sleeve.
- Suppressing bad news.
- Taking credit for someone else's accomplishments.
- Saying no to a promotion opportunity.

building was a target, but I was worried it could be involved in an accident if the airliner were shot down. I announced a mandatory evacuation from the building, which turned out to be one of the best decisions I have ever made in terms of the emotional stabili-

ty of families and balance of work/home issues. Business leaders need to understand the context in which they find themselves everyday, and take into consideration business, social, and human employee perspectives."

## OTHER SPEAKERS

(Audiotape for many of the speakers available on Owen's Website, keyword: speakers)

Richard Manley, CEO, Emergisoft Corporation, "Why Fundamental Business Practices are Essential in E-Commerce," September 10, 2001

Kate Delhagen, research director and strategy advisor, Forrester Research Inc., "The Future of e-Commerce," October 26

Rob Louv, '97, VP/M&A, JP Morgan Chase, "Valuation of a Target in a Buy-Side Mandate," November 30

Steve Griffin, chairman and co-founder, Streamcast Networks, "Future of Peer-to-Peer (P2P) Technology," December 3

John Danner, founder, NetGravity, Inc., "The NetGravity Story," December 4

Mike Gorsage, VP/Customer Solutions A.T. Kearney, "Customer Relationship Management," December 5

Steve Kahn, managing director, Advent International, "Private Equity," January 9

Sean Jackson, technology analyst, Avondale Partners, "Future of the Technology Sector," January 12

Amy Kurland, founder and owner, Bluebird Cafe, "Ups and Downs of Owning and Managing a Small Business," January 16

Shawn Gold, president and CSO, eUniverse,

"Future of Entertainment," February 8

Judge James Bacchus, chairman, Appellate Body, World Trade Organization, "Reflections of a Faceless Foreign Judge," February 18

David Smith, CFO, Tennessee Valley Authority, "Deregulation Affecting the Energy Sector," March 12

Amanda Tucker, director, The Business Compliance Project, Nike Corporate Responsibility Department, "Nike's Environmental and Labor Policies," March 20

Donald Gray, general counsel and VP, Toshiba America, "Experiences as General Counsel of a Major American Corporation," March 21

Corey Cleek, business development manager, eBay, "Internet Marketing," April 1

Catherine Mann, Institute for International Economics, "Possible Weakening of U.S. Dollar and the Effects on the Economy," April 4

Mark Taylor, professor of humanities and religion, Williams College, "Education in a Network Culture," April 11

Larry Downes, digital strategist and bestselling author, "The Strategy Machine," April 22



Walker

## GOVERNMENT MUST CHANGE ITS BUSINESS WAYS

"Government's status quo way of doing business is unacceptable for a variety of reasons," said David Walker, comptroller general of the U.S., "including

- Rising public expectations for demonstrable results and enhanced responsiveness;
- Past fiscal trends and significant long-range challenges such as Social Security;
- Additional cost demands due to recent terrorism events in the U.S.;
- Government performance/accountability and high risk challenges, including the lack of effective human capital strategies....

Government is on a 'burning platform' and must change its way of doing business by undergoing a cultural transformation. Government organizations need to be more partnerial, results-oriented, integrated, and externally focused. They need to work better with other governmental organizations, non-governmental organizations, and the private sector, both domestically and internationally, to achieve results....Government employees are not the problem. The problem is a lack of strategic planning, along with outdated policies and practices developed in the 1950s."

—Walker appeared as Distinguished Speaker on January 31, one day after he announced the GAO would sue the White House for access to documents from President Bush's energy task force.

## HEADLINES

FROM AROUND THE NATION

(Full text for these and other stories is on Owen's Website, "Owen in the News")

**Teaching Ethics**

Bill Christie once helped bust Nasdaq price fixers. Now, he's Vanderbilt's B-School dean—and bringing those lessons to MBAs.

—*Business Week online videoclip*, June 6  
www.businessweek.com/mediacenter/list/bs01.htm

**In the Money: Don't Look for a Boost from Firing Andersen**

Hundreds of clients have dumped Andersen as their auditor, fearing the firm's role in the Enron scandal could taint them. A *Dow Jones Newswires* analysis reveals that it's questionable whether investors have rewarded them for it. "I personally don't believe you're going to find much of an effect from dropping them," said Paul Chaney, associate professor of accounting at Vanderbilt University's Owen Graduate School of Management.

—*Dow Jones Newswire*, June 11

**Staples Deal Highlights Conflicts When VCs Serve on Boards**

In 1998, Staples Inc.—which Mitt Romney helped to finance—was eager to plunge into the new economy and buy a telephone company owned by the firm where Romney was then chief executive. Romney, then a Staples director and member of the board's executive committee, recused himself from all discussions. Some specialists in corporate governance say that simply stepping aside when a conflict arises may no longer be enough.

Ronald W. Masulis, a Vanderbilt University finance professor at the Owen Graduate School of Management,

says, "I would argue he has met his legal obligations by not participating in any way in the discussions and decision to purchase Claricom."

—*The Boston Globe*, June 3

**Investors Playing Hooky From Edison Schools**

Wall Street previously was dazzled by the idea of running America's poorer schools like businesses and making profits. But now Wall Street seems to have given the idea an "F." Professor Fred Talbott of Vanderbilt University's Owen Graduate School of Management said: "School boards have budgets that have to be flexible, while with corporations it's a lock-in process." Professor Bart Victor said, "Given that schools are labor-intensive, where teachers are the key asset, it will be hard to run a good school and also make money."

—*Reuters*, May 13

**Why Wall Street isn't Flying Higher**

The great stock market rebound of 2002 has so far fizzled—and a major upswing is not in sight. "Investors don't just follow the economy," says Hans Stoll, director of the Financial Markets Research Center at Vanderbilt University in Nashville, Tenn. "They follow the expected economy, especially relating to the future direction of corporate profits."

—*Christian Science Monitor*, May 6

**A Net Apostle Keeps the Faith**

Few academics have staked their professional careers on the Internet like



Vanderbilt University professor Donna L. Hoffman. But just as the dot-com collapse has discredited

so many otherwise promising business ventures, the fallout has spread to academia. Researchers like Hoffman are now paying a price, as schools have started scaling back their commitment to the Net. Hoffman says she isn't deterred. "The biggest surprise of the last seven years is that the dot-com crash was a surprise."

—*Business Week Online*, April 18

**Jeter Provides Views on Accounting Standards to CNBC**

Debra Jeter, Owen associate professor of management in accounting, appeared on CNBC's *Capital Report* Feb. 5 to answer the questions: In a post-Enron world, do the current accounting standards need to be overhauled or are changing accounting standards merely a knee-jerk reaction? And what of the auditing profession? Is self-regulation still the best way to manage or have we discovered that governmental intervention may be necessary?

—*CNBC Capital Report*, Feb. 5



## As a Recruiter, FedEx Delivers

In this difficult economic climate, FedEx Corp. is successfully navigating the turbulence, beating third quarter projections with earnings up five percent over the same period last year.

It hasn't been a joyride, however. Like other airlines, FedEx Express received compensation through the Air Transportation Safety and System Stabilization Act to help offset the aftermath of September 11, when the national air traffic system was shut down for security reasons. Even before the crisis, the company was feeling the effects of a slowing economy, stemming in part from a softer demand for high-tech goods.

"FedEx business is one of the first indicators of economic shift," says Joe



McCarty

McCarty, former president and CEO of FedEx Logistics, and a 1971 Vanderbilt law graduate and adjunct professor, who now teaches "Developing an E-Commerce Business" in the Law and Business Program. "FedEx volumes are tied to the economic activity of other industries. When a company's business slows, one of the first things that happens is its shipments drop."

FedEx is optimistic that economic revival is on the horizon. The company fared better during the grounding than

might have been expected because of its broad and diverse portfolio of services, and because its ground network shouldered the load. Strong revenue and profit growth, and a focus on costs, as well as an alliance with the U.S. Postal Service, is helping to keep its future bright.

The corporation, generating \$20 billion in annual revenues, has recruited at Owen for two years (also recruiting at the Law and Engineering Schools) in the e-commerce, finance, and marketing areas. Owen graduates are a good match for FedEx because of its historical focus on advanced information technology. The company created the air express-delivery service and pushed the envelope, so to speak, to help transform the old economy into today's economy.

A report by SR International outlined accomplishments: FedEx Express delivery enabled businesses to lower inventories and associated carrying costs for entire supply chains; helped level the playing fields among small and large firms, and among local versus out-of-area businesses; and provided connectivity allowing small towns and rural areas to attract employers, all the while serving "as a continuous test bed of technological innovation," among other points. "FedEx sometimes sees itself as a technology company that delivers packages," McCarty explains.

"Our tremendous need for e-commerce talent in FedEx Services is one reason Owen is attractive to us," adds Lee Mathews, senior recruiter for FedEx. "The students infuse young life into this area and keep it going."

Alumni success stories include Mary Pantlik, E'01, IT manager, who supervises a staff of software engineers who are designing and developing products to enable couriers to communicate over wireless networks.



Delivering the goods (clockwise from top): Jesse Gately, Kelly Gerhart, and Rob Curtis are a few of the Owen alums at FedEx, with Lee Mathews, senior recruiter.

Kelly Gerhart, another 2001 EMBA graduate, has led several cross-functional teams and projects at FedEx, and worked in the diverse areas of global business, high-tech, small-business customer needs, and currently manages sports event marketing. Jesse Gately, a 2001 graduate and channel manager, started as an intern and stayed with FedEx because of its strong EC/automation marketing program.

McCarty joined the company in 1983 to manage the legal side of its initial electronic-commerce businesses, established the legal framework for FedEx business in 211 countries, and served as president of FedEx Asia and FedEx Latin America, and as president and CEO of FedEx Logistics. Retired from FedEx, the Memphis resident is now in private practice, conducting commercial arbitration and mediation and consulting start-up companies.

He particularly enjoys interacting with students outside the classroom and discussing areas of concentration and career planning. "MBA graduates have a key place in FedEx's future because of the global and sophisticated nature of the business," he said. The Law and Business Program, he adds, is an excellent way to help bridge a gap between those two disciplines. "Out in the world, there is a professional tension between law and business, and anything we can do to break that down is valuable."—*Beth Matter*

# ENTREPRENEURSHIP ON THE TECHNOLOGY FRONTIER

## OWEN BRINGS TECHNOLOGY AND BUSINESS TOGETHER

**P**harmaceuticals, cosmeceuticals, healthcare delivery, telecom. Emerging technologies rapidly create business opportunities, and Owen is committed to helping entrepreneurs identify business ideas and navigate the high-tech frontier.

One way Owen does this is through a series of educational conferences that provide networking connections. The second annual entrepreneurship confer-

ence last year—Entrepreneurship on the Technology Frontier—featured case studies and seasoned entrepreneurs sharing advice and information on topics ranging from how to build a successful biotech industry to the evolving telecommunications infrastructure and its implications for start-ups.

Another conference—Technology in the Tennessee Valley—brought together technology developers, potential investors, and entrepreneurs to discuss

how to create technology-based enterprises using unique resources in the region.

Owen's third annual entrepreneurship conference scheduled for October 25 will focus on "Launching the Enterprise," and "Change of Control." For more information, visit the Web site: <http://mba.vanderbilt.edu/conferences/entrep.cfm>.

### Views from the Trenches: ENTREPRENEURSHIP ON THE TECHNOLOGY FRONTIER



**Tom Dooley**, CEO and founder of **Integri-derm** and **Altruus**. "Versatility management in biotech is critical. A paradigm shift occurs in the industry every six to twelve months. A new cancer therapy you read about in *Newsweek* is already three years old...We wanted to be the best company in a narrow and deep space. If you are broad, you lose focus and the potential to compete with the big guys. If you are narrow and deep and have one advantage, you can beat Procter and Gamble at their own game."



**Elizabeth Clarke**, '92, founder, **Business Development Solutions**. "The growing pharmaceutical industry, dominated by large organizations and blockbuster drugs, creates opportunities for smaller companies to acquire niche pharmaceuticals, those bringing in \$20-\$50 million yearly. One of my clients, **Cumberland Pharmaceuticals**, acquires existing pharmaceuticals in the areas of critical care, emergency room, pulmonology, and gastroenterology, and grows them through active marketing and new indications. Cumberland Emerging Technologies, a second arm of the company, focuses on earliest stage products and has a joint initiative with Vanderbilt and the State of Tennessee."



**Christine Heckart**, president, **Telechoice**. "There will be significant growth in bandwidth consumption, but this does not necessarily translate into industry health. Figure out where you can be the industry's best and maniacally focus on that goal. Use an inside-out approach, not outside-in."

**David Tolwinski**, president and CEO, **Tenor Networks, Inc.** "In high tech entrepreneurship, one needs to be a 'bit mad.' The odds are long. Timing is critical—too late or too early is fatal. Maintain focus, patience, and faith in one's vision."

**Roy Bynum**, chair of **IEEE Ethernet-Over-Sonet Response**. "Successful new technology is evolutionary, not revolutionary. Successful new technology leverages existing needs. The greater the number of people that a technology can provide for, the greater will be its success. Ethernet is successful because it could evolve and is continuing to evolve."

**Samuel Lynch**, chairman and CEO of **Bio-Mimetic Pharmaceuticals, Inc.** "Small, emerging companies have to rely heavily on key consultants and advisors and have a clear story. Our initial target market—dental defects—is not sexy, so we had to show VCs success stories and that there is a large enough market for our product. We had to give them assurance that our product actually will come to market, as there is a long window compared to the Internet companies of a year or two ago."

### Views from the Trenches: TECHNOLOGY IN THE TENNESSEE VALLEY

The State of Tennessee, NASA, and Oak Ridge National Laboratory all offer services and programs to help small businesses and stimulate high-tech growth.

**Alex Fischer**, former commissioner, **Tennessee Office of Economic Development**. "During the last couple of years, Tennessee has ridden a great economic tide. The jobs being created are higher skilled, higher wage jobs...We take advantage of our distribution location [Tennessee is within a day's drive of two-thirds of the U.S. population.] but we need to tell Tennessee's technology story more aggressively. What would another state pay to recruit Oak Ridge National Laboratory? Or Arnold Engineering Development Center (the world's largest collection of wind tunnels)? Or Vanderbilt? We need to better use these assets to our economic advantage."

**Vernotto C. McMillan**, deputy director, **Technology Transfer Department, Marshall Space Flight Center**. "Technology and software commercialization is the cornerstone of technology transfer for NASA. Our goal is to take our dreams and merge them with the dreams of the American people. The technologies we need to reach the stars are the engines that drive America's future."

**Jan Haerer**, director of **Technology Transfer, Oak Ridge National Laboratory**. "There are mixed economic indicators, so is it a good time to push entrepreneurship? The great thing about entrepreneurs is that they don't really care if it is the best of times or the worst of times. They are eternal optimists. But some things to remember: Not all technology is suitable for a start-up. Entrepreneurs bite off more than they can



Professor Germain Boer, left, discusses new developments in technology with Vernotto McMillan, deputy director of Technology Transfer for Marshall Space Flight Center, and Newt Collinson, associate marketing director for INVESCO, Inc.

chew. Not everyone who says they are an entrepreneur really is. Entrepreneurs have to put everything into the business to make it go: Investors have to see that you have skin in the game. Not every entrepreneur is in poverty. Entrepreneurs are very involved licensees. If at first you succeed, try not to be astonished. The harder you work, the luckier you get."

### OTHER WAYS VANDERBILT HELPS ENTREPRENEURS

#### Office of Technology Transfer

Vanderbilt receives approximately \$2 million per year in licensing revenue from technologies developed at Vanderbilt. The University on average applies for 80 patents a year, with 30 issued. The Office of Technology Transfer seeks companies that can put this expertise to work in the commercial sector. Website: [www.vanderbilt.edu/technology\\_transfer/](http://www.vanderbilt.edu/technology_transfer/)

#### Vanderbilt University Technology Company

In another effort to bring University-created technologies to the marketplace, Vanderbilt has committed more than \$10 million to the Chancellor's Fund, a special fund created to provide monies to local start-up businesses to identify early stage investment opportunities with commercial promise. Website: <http://www.vutc.net/in-dex2.html>

#### Owen's Entrepreneurship Program

The Owen School offers a panoply of services for the entrepreneur, including the Owen Library, where for a nominal fee entrepreneurs can access the library's extensive book and periodical collection and electronic databases (Owen alumni have free access.); the Entrepreneur's Desk, a Website that assists entrepreneurs in hiring Owen MBAs with a minimum of effort and expense; and a variety of other networking and educational opportunities. To find out more, contact Germain Boer at [germain.boer@owen.vanderbilt.edu](mailto:germain.boer@owen.vanderbilt.edu) or Bruce Lynskey at [bruce.lynskey@owen.vanderbilt.edu](mailto:bruce.lynskey@owen.vanderbilt.edu).

**Brian Whitfield**, chairman and CEO of **Digiscrypt**. "To build a successful technology company you have to understand change and understand that change occurs daily. My philosophy is that customers matter; technology has a long tail (you don't necessarily have to have the latest cutting-edge technology to be a great company); and you have to have passionate people working for you. No one can just work an eight-to-five day."



**Joe Maxwell**, '94, CEO and founder, **Investment Scorecard**. "We are passionate about delivering objectivity to the market and building a company that can educate investors. Our company takes data out of back office investment accounting systems and converts this data into useful analytical information that is then delivered to individuals. Building a long-term sustainable recurring revenue model is the hardest thing I have ever done."

#### Other Speakers:

- Joel Peek, Microarrays, Inc.
- Michael E. Dockter, Health Science Center, University of Tennessee
- Steve May, Rymic Systems
- John Horack, Mobular Technologies
- David Tiller, U.S. Small Business Administration



# GLOBAL BUSINESS

## OWEN'S WORLD-CLASS TICKET TO SUCCESS

### OWEN'S INTERNATIONAL OFFERINGS

BY NED SOLOMON

**“Today more than ever, the traditional boundaries between politics, culture, technology, finance, national security, and ecology are disappearing. You often cannot explain one without referring to the others...You have to learn how to arbitrage information from these disparate perspectives and then weave it together to produce a picture of the world that you would never have if you looked at it from only one perspective.”** —Thomas L. Friedman

**C**hristie St-John, director of International Relations at the Owen Graduate School of Management, has been reading Thomas L. Friedman's book, *The Lexis and the Olive Tree*. She believes the above quote illustrates why Owen's international course offerings are vital, and why the School seeks to recruit a culturally diverse student popu-

lation. “We want to produce leaders who have an understanding of the world as a whole, not just of a particular region,” she says.

Owen long has been committed to preparing its graduates for success in the global workplace. In addition to a plethora of international course offerings, the School sends a number of U.S. students abroad to study for a semester and strives to make its own program more hospitable to international stu-

dents—full-time and exchange—by offering courses and resources designed to acclimate them to life in the U.S.

According to St-John, it's all part of an effort to make Owen a microcosm of the world. “We need to realize that wherever we live, traditional boundaries separating one city from another, and one nation from another, have disappeared thanks in part to the Internet, television, and more and easier travel options. What is ‘hot’ in Dallas or Atlanta eventually will reach Paris and Kuala Lumpur, albeit transformed to fit the culture. The world is not getting smaller; it is becoming more interesting and accessible. We need to learn to get along and value our differences. Owen is a terrific resource. Where else could you meet and become friends with people from 37 countries within only two years?”

Although the number of foreign students has doubled in the past few years (from 16 to 30 percent), it is still a challenge to recruit students from certain parts of the world. It is especially difficult to convince European students to study here, she says, since most of their schools are excellent and, more important, free or relatively inexpensive.

“But there is good reason for them to come here. European schools are more theoretical than practical. Students may study advanced theoretical economics and mathematics, but they don't learn to deal with organizational, human resources, or staffing challenges, as they do here.”

Owen has another attribute setting it apart from European business schools and many top U.S. MBA programs. Owen's modular system of 7-week classes allows students to take twice as many courses as at semester-based programs. “It is very intense, but it pays off in the

long run,” assures St. John. “It forces students to focus on time management and develop good team skills to get things done.”

the Board of Governors of the Federal Reserve System. Besides teaching one of the first international classes, Daane initiated an extracurricular gathering of international and U.S. students, which later became the Global Business Club. He also took students on the School's first overseas educational excursions to study financial markets in London, Japan, and Ireland. This annual trip eventually became Owen's current International Management Seminar.

With his unique perspective, Daane looks proudly at the current state of

International Management and Global Marketplace course, which examines the political, legal, economic, and cultural aspects of operating an international business.

Students gain an overview of how trade and investment affect developing nations in the Globalizing Customer Solutions course. Global manufacturing and service operations in Mexican, Japanese, European, and Maquiladoran economies are evaluated during International Operations. Global Strategy

**International Education is Big Business in Tennessee. During 1999-00, the net contribution to the Tennessee economy by foreign students and their families (at 51 institutions) was \$110,435,000.**

Owen's international student body and curriculum. “I think the emphasis on globalization that Dean Geisel formalized, and is now clearly evident in the program, is a healthy development. We have a wonderful cadre of foreign students.”

#### International Courses

A number of courses examine the economy, marketing, finance, strategy, operations, and logistics from an international perspective. The Foreign Exchange and Global Monetary System course focuses on the economics of international financial markets and how exchange rates impact foreign investment, stock markets, and inflation. Students are required to develop a foreign business expansion plan in the Interna-

#### A Look Back

Owen's international thrust is nothing new. J. Dewey Daane, Frank K. Houston Professor of Finance, emeritus, believes it began with the School's first dean, H. Igor Ansoff, a native Russian, who spoke fluent Russian, German, and French. Years later, globalization became a primary focus under the leadership of Dean Martin Geisel, who enlisted Daane to expand Owen's international course offerings. Daane's global and financial expertise stemmed from his 11-year term as a member of



Johann Ropers and Erik Hoyvik, exchange students from France and Norway, shared information about their schools at a Global Business Club session on exchange programs. DAVID CRENSHAW



Students in David Parsley's International Management Seminar studied business in Spain in 1999. In Barcelona are: Mariano Espinosa, Alex Condon, Jocelyn English, Manvendra Singh, Parsley, and Key Foster.



EMBA students toured a mine during last year's international residency in Santiago, Chile, and São Paulo, Brazil. MARTIN RAPISARDA

Spanish for Business and French for Business, provide students with the grammar, vocabulary, and cultural concepts needed to successfully conduct business in French and Spanish speaking communities.

These courses are enriched by the fact that many professors travel the world—teaching at universities overseas, speaking at conferences, and conducting research—and bring their experiences back to the classroom. During the past year, faculty traveled to The Netherlands, Switzerland, France, Germany, Poland, Taiwan, Italy,

examines the creation and management of competitive advantage in a multinational corporation.

Other courses include International Financial Markets and Instruments, International Corporate Finance, International Investment and Commercial Policy, Global Environment Issues, Trade and Foreign Direct Investment, and Business in China. Two courses,

Hong Kong, Ireland, among others. “I visit universities and telecommunication organizations in other countries to broaden my knowledge of issues in management education and research,” says Professor Larry Leblanc. “This is not only helpful for my International Operations class, but also for adding an international element to my research.”

### Student Trips Abroad

Two courses give students the opportunity to learn about global commerce and foreign cultures firsthand. The International Management Seminar, taught by Associate Professor David Parsley, is a practicum type course offering students the opportunity to plan, manage, and direct a course of study focusing on business issues and practices

**With more than 40 countries represented, students expect the world of Owen.**

in a particular area of the world. Past destinations have included Hong Kong, Spain, and the Philippines.

“Students directly observe the complexities—legal, political, cultural, and economic—that make international business so challenging,” Parsley says. “Other business schools may have inter-



Owen students are all over the map. One satisfied customer is William Knowles, '01, who participated in an exchange program in Japan. DAVID CRENSHAW

national exposure through visits to a foreign country, but none offer this level of direct cross-country business analysis.”

During last year's Executive MBA International Residency, students and faculty traveled to Santiago, Chile, and São Paulo, Brazil, to meet with executives at major corporations, including those in joint ventures with U.S. com-

panies and leading American companies competing in these locations. The purpose, says Martin Rapisarda, associate dean for Executive Education, is to provide a glimpse at the challenges of global markets, business conditions in different cultures, new opportunities, and the spectrum of business challenges managers face on a daily basis.

### Exchange Programs

In an effort to make students more global in their thinking and prepared to find careers and conduct commerce in the international business community, Owen has established formal and ad hoc exchange programs with many foreign universities. The number of students (both U.S. and foreign) taking advantage of this program has grown significantly over the past few years.

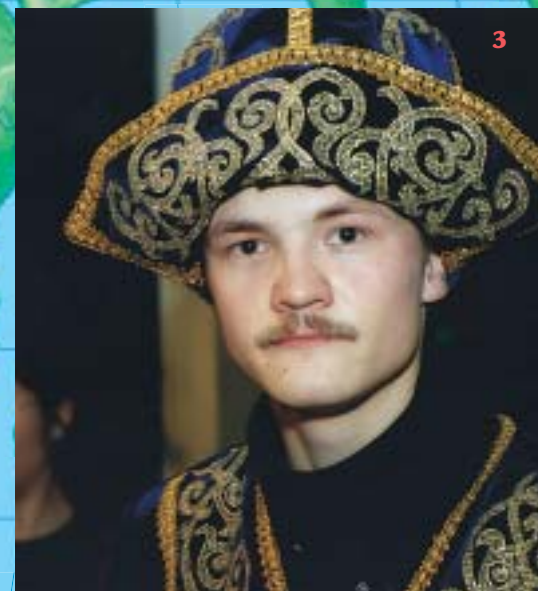
Current partnerships are with universities in England, France, Spain, Norway, Austria, Germany, South Africa, Costa Rica, Venezuela, Mexico, Chile, Brazil, Japan, Hong Kong, among others.

### Orientation to Multiculturalism

International students coming to the U.S. need an acclimation period to better achieve scholastic success. An intensive 4-week program—the U.S. Business Communication and Culture Class—is held prior to the start of school for internationals who have not worked or studied in the U.S. during the previous two years. Students work on cases and give five presentations during that period. Field trips to a Nashville Sounds baseball game and the Wildhorse Saloon give students a fun and intimate glimpse into Nashville culture. The course also encourages a community of many nationalities, rather than splinter groups of students socializing only with those from their own countries.

Orientation for all students includes a cross cultural workshop, which assists international students in coping with “culture shock” from their sudden immersion in American society, and U.S. students in understanding the chal-

**GOOD EATS**—The standing-room-only Global Food Fest is an opportunity to sample foods from other nations. **1)** Christie St-John and April Chan prepare yummy treats; **2)** April Chan (Taiwan), Ryan Vardeman (U.S.), '02, and Abdi Debelo Dinka (Ethiopia) in traditional dress; **3)** Rustam Tairov from Kazakhstan; and **4)** Emi Manabe, daughter of Hiroshi Manabe, '02. PHOTOS BY DAVID CRENSHAW





TN & FRANCE—Associate Provost Virginia Scott and Chancellor Gordon Gee enjoy French cuisine prepared by Patrice Boely, a.k.a. Gargantua, at the Tennessee and France Cultural Connections seminar hosted by Owen in March. The seminar highlighted the robust trade relationship and cultural interaction between the two areas. Other sponsors included the Cultural Services Office, French Embassy/New York; Vanderbilt's Department of French and Italian, European Studies Program, and Office of International Advancement; and Alliance Francaise of Nashville. DAVID CRENSHAW

lenges facing their international peers.

### Global Business Club

The Global Business Club serves as a linchpin for Owen's international offerings. Professor Dewey Daane still serves as faculty advisor to the group and meets annually with the officers to discuss direction of the club.

Club members examine case studies, attend presentations by international business leaders, sponsor panels on such subjects as business etiquette in foreign countries, and coordinate social events with an international flavor. The club organizes the annual International Food Festival, International Awareness Week, and helps with celebrations at Vanderbilt's McTyeire International House, including Oktoberfest, Cinco de

Mayo, and the Chinese New Year Festival.

Ben Middleberg, a current student who has lived and conducted business in China, is an active member of the GBC and stresses its value. "Whenever you get the chance to interact with international students you must maximize that opportunity. They are often the best and the brightest a country has to offer. They also tend to come from politically powerful families and can be useful contacts."

### Vanderbilt International Organizations

Other international organizations at Vanderbilt provide Owen students an opportunity to interact with individuals from around the world. Numerous stu-

dent associations—African, Arab, Caribbean, Chinese, European, Indian, Korean, Malaysian, Persian, Taiwan, Turkish, and Latin American—have been active on campus for several years.

### Career Services

Many international students want to work for U.S. companies, and Owen helps prepare them to seek employment. Since they most likely will be competing for jobs with more than 500,000 MBAs nationwide, developing U.S.-style professionalism is a necessity. St-John spends many hours reviewing resumes, conducting mock interviews, and even teaching international students the fine arts of schmoozing and networking.

St-John's efforts appear to be paying off. Owen enjoys a high placement rate for international students in U.S. companies (96 percent for the Class of 2000; 87 percent for the Class of 2001). For international students seeking employment outside of the states, Owen provides a roster of alumni overseas, a database of foreign company contacts, and a list of Websites advertising country-specific jobs. In addition, St-John attends the annual Hispanic MBA Conference and the International MBA Job Conference to establish contacts with companies who hire international students. On the flip side, many U.S. graduates every year plan to work overseas for American companies, and several travel abroad to work for foreign companies, primarily in Hong Kong or London.

"The best part of my job," says St-John, "is not the world travel, but working with students throughout the admissions process, and watching them bloom in the program and end up with a satisfying career. And of course, watching the Owen alumni network expand around the world."

## WORLD-WISE STUDENTS

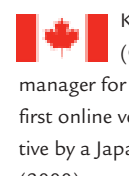
Owen students not only come from around the world, many already have considerable global business experience that they bring to the classroom. A few examples:



Martin Boronat, '02, (Argentina) an attorney in Virginia, helped 2000 Salvadorans receive U.S. residency (2000).



Kenneth Erichsen, '03, (Guatemala) competed in badminton at the Olympic Games in Atlanta (1996).



Ken Miyoshi, '02, (Canada) project manager for Mazda, assisted first online vehicle sales initiative by a Japanese automaker (2000).



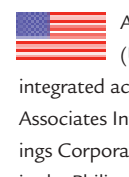
Feng Ge, '03, (China) associate consulting engineer, Three Gorges Corporation, managed two construction projects on Three Gorges Dam, the largest construction project in history (1997).



Andrew Rosenberg, '02, (U.S.) professional chef, managed restaurant operations at Restaurant Sonne in Switzerland (1996-97).



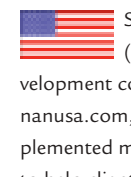
Adam Leibowitz, '03, (U.S.) co-founder and vice president, Source Trading Company, LLC, initiated a \$4 million housing development project in Gaza, negotiating directly with American and Palestinian government officials (1998-00).



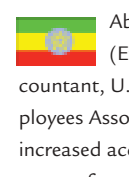
Aileen Abello, '03, (U.S.) identified and integrated acquisitions for the Associates International Holdings Corporation for its divisions in the Philippines, Canada, Costa Rica, and Japan (1995-01).



Ivy Apea, '03 (Ghana) credit and service banking officer, Ecobank Ghana Ltd., represented bank in structuring loan syndication packages with U.S. Agency for International Development (1999-01).



Sammy Sung, '03, (U.S.) business development consultant, Chinanusa.com, developed and implemented marketing strategies to help clients in China find buyers for their products and services in the U.S. (2000-01).



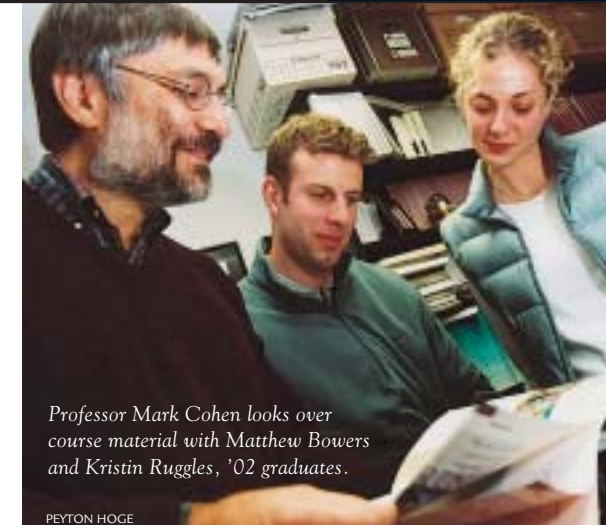
Abdi Dinka, '03, (Ethiopia) chief accountant, U.S. Embassy Employees Association, Ethiopia, increased accuracy of financial reports from 50 to 99 percent and reduced report time from one month to three days (1999-00).



Harish S. Venkatesan, '03, (India) project leader, Citicorp Overseas Software Limited, in Dubai led team to implement re-engineered corporate banking system to improve back office operations, reducing processing time by 15 percent (1997-01).



Brian Wortham, '03, (U.S.) business consultant, Global Options International, worked in Brazil to open the State of Oklahoma's first trade and marketing office in South America (1996-98).



Professor Mark Cohen looks over course material with Matthew Bowers and Kristin Ruggles, '02 graduates.

## COURSE EXAMINES GLOBAL SOCIAL RESPONSIBILITY

Professors increasingly are incorporating global components into their courses. Mark Cohen, professor of economics and strategy, for instance, long has been interested in the way private companies' public behavior impacts their success in the marketplace, and how concern for humanity and the environment might be financially beneficial. That curiosity led to his developing a course in Social Responsibility.

Although not labeled as an international offering, many of the issues discussed and case studies examined are global in nature. "In international business, many social responsibility issues arise," says Cohen, "like human rights, global warming, economic development, and sustainability."

Cohen hopes to impart to students a perspective that some major corporations are adopting, that corporate social responsibility can become part of the strategic focus—where the company is going, which market to enter, how to enter it, and which products to introduce.

One lingering question is whether social responsibility can actually increase the bottom line. "Everyone would like to be able to say that it does, but there's no easy answer. It's easier to point out cases where not doing the responsible thing hurt a company. So in some sense, it's preventative."

Cohen notices a growing interest by students in finding meaningful ways to make money. "Some took the course because they see combining social responsibility with making lots of money as a positive selling feature. My mission is to broaden the students' awareness of these important issues that businesses often push to the side."