



STERN PhD Alumni

NEWS FOR ALUMNI OF THE DOCTORAL PROGRAM OF NYU STERN SCHOOL OF BUSINESS

SUMMER 2007
VOLUME 2 / ISSUE 1

INSIDE THIS ISSUE

ALUMNI SPOTLIGHT ON VERNE ATWATER

SIGNIFICANT STATISTICIAN ERNIE KURNOW

CLASS NOTES

GLOBAL ALUMNI CONFERENCE

ENCOURAGING COLLABORATIVE RESEARCH

A LETTER FROM THE DIRECTOR

When I was a graduate student I learned an immense amount from fellow students both in my own area of study and in other areas. However, one of the difficulties of studying at a university in a large city is that interaction between students in different disciplines doesn't naturally arise.



Since doctoral students in each department have offices in the same location, they usually interact and learn a lot from the other students in their own departments. Unfortunately, I discovered some years ago that Stern's doctoral students didn't know most of their classmates outside their own departments. Because some of the most important advances in a student's thinking come from seeing broader relationships or borrowing ideas in one field and applying them to another, this lack of interaction was a problem.

To encourage interaction among students in different fields, I first tried arranging doctoral student events, such as Yankee games and bowling nights. Unfortunately, the participants still tended to interact by their areas of study. However, after several more attempts,

I believe I may have finally found something that works. Last fall, I took all of the first-year students to the Adirondacks for a three-day orientation event. I found a quaint inn that had no bookings that weekend, and convinced them that some revenue was better than none. By also convincing a rafting company of the same idea, I managed to secure the entire weekend at half price. On Friday, the students relaxed, swam, and got acquainted, and at night, my wife and I cooked them a barbeque and we all played games. Early Saturday, the students were transported to the bottom of a mountain, where I awaited them with three backpacks containing our lunches. After hiking four miles and 2,500 feet up the mountain, we reached the summit and ate our well-earned lunch.

One of the students sprained her ankle during our descent. While the experience was tough on her, it provided a good bonding opportunity as different students took turns helping her down the mountain. On Sunday, we all went rafting on the Hudson. Nothing encourages teamwork quite like having your raft turn over in a raging rapid! Incidentally, not only did we dunk a whole raft in the river, but a number of students got inadvertently tossed out of their rafts and, fortunately, were unharmed.

The Adirondack weekend seemed to work in bringing doctoral students together. This is the first class that I have had that meets regularly to spend time with each other. Most important, reports from cross-departmental classes show that students are now working and interacting across departmental lines. All in all, the weekend was a great success.

Ned Elton

ALUMNI SPOTLIGHT: GLOBETROTTER VERNE ATWATER



For retired businessman and professor Dr. Verne S. Atwater (PhD '61), a doctoral degree from NYU Stern did more than just open doors – it opened worlds. His long and successful career has spanned two continents and encompassed the financial, academic, and nonprofit worlds.

Atwater earned his PhD at night while working initially in banking and later at the Ford Foundation. For a six-year period, he put in 15-hour days as a part-time student at NYU Stern, but the experience proved invaluable. "In retrospect, most of my career advancement occurred while I was working on my PhD. I am forever indebted for the experience," said Atwater of his time at Stern.

After receiving his PhD in 1961, Atwater continued

his work with the Ford Foundation as its first representative in Latin America. For the next two years, which he recalled as "by far the most exciting time of my career," he traveled by plane between Argentina and Chile each week promoting university development. His adventurous wife and two daughters trekked across the Andes by bus and boat, and on foot. Because of his doctoral training at NYU, both Atwater and his family were embraced by the Argentinian academic community, making their immersion in the Latin American culture an exciting and enjoyable experience. Atwater then continued his work with the foundation as administrative vice president and director of its Latin America program.

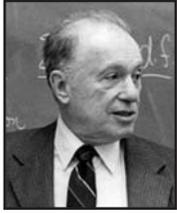
After more than a decade with the Ford Foundation, Atwater spent 10 years as chairman and CEO of Central Savings Bank in New York. After leaving CSB, he joined the faculty at Pace University, where

Continued on page 2



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STERN'S HIGHLY SIGNIFICANT STATISTICIAN: ERNIE KURNOW



NYU Stern has evolved over the years, and a force behind that progress is Professor Emeritus of Business Statistics Ernest Kurnow (PhD '51). Kurnow, who first joined the NYU faculty in 1948 as a teaching assistant, has been teaching Stern's doctoral students for more than 62 years.

Born in Brooklyn in 1912, the 94-year-old statistician has always had a desire to teach. He gave his first lecture at the age of 3, after returning home from a meeting he had attended with his father at Cooper Union. "I stood on a milk carton and started repeating all that I could remember [of the meeting] to my family," recalled Kurnow of that fateful day. "I always remember wanting to teach." Ninety-one years later, he continues to lecture to appreciative audiences.

Kurnow earned a masters degree from the City College of New York at age 20, but was faced with a near-complete lack of job prospects. For years he pushed a hand truck in the garment center – the best a master's degree could earn during the Great Depression. But his passion for numbers and ambition to keep learning remained strong, and he signed up for the city's statistician's examination. Although he had only taken one statistics course in his lifetime, Kurnow placed second among the thousands of test-takers – many of whom had advanced degrees in statistics. His achievement earned him a job with the New York Board of Education in 1941, but this experience only fueled his ambition to get back to the classroom. In 1945, Kurnow enrolled in a statistics course at NYU, and, after only two weeks, was offered a job as a teaching assistant. In 1951, he accepted a full-time faculty position in NYU's economics department after earning his PhD in public finance.

Since that time, the professor has influenced many of the financial world's most powerful thinkers, including Alan Greenspan (BS '48, MA '50, PhD '77), former chairman of the Board of Governors of the

Federal Reserve System; Robert Kavesh, Marcus Nadler Professor of Economics and Finance at Stern; and Tatsuro Toyoda (MBA '58), chairman of the Toyota Foundation and senior advisor to the Toyota Motor Corporation. When NYU gave an honorary degree to Toyoda in 2004, Kurnow attended the ceremony with his former student's grade sheet in hand. "I autographed it 'to a former outstanding student,'" said Kurnow, "so he could share it with his children or grandchildren, in case they ever doubted his performance in my class."

Kurnow's reach goes well beyond the classroom and his individual students. He chaired the department of statistics and operations research from 1962 to 1976, and directed the doctoral program from 1975 to 1985. During this time, he helped transform the PhD program from one that trained a large number of part-time business generalists to one that focuses on training a small number of highly qualified, full-time academicians who can go on to teach at the world's top institutions. "Now it's easy to be a teacher at Stern," said Kurnow, who views his teaching experience through a statistician's lenses. "The students have always been bright, but there was much variability among them. Now, the average ability of Stern's students has increased and variability has decreased," which makes his job more exciting. "There's nothing like teaching a group of students when everyone in the room knows what you're talking about."

In spring 2006, after more than 60 years on the job, the professor took a sabbatical "just to see what it was like not to teach." During that time away from the classroom, Kurnow planned to attend the theater more often and pursue other interests, but found he preferred the life of a professor. He resumed teaching at Stern the following semester and currently has no intention of taking another sabbatical. "Teaching is the chance to make a contribution to the lives of many and to help them progress," said Kurnow. "As long as the students enjoy my classes, there's no reason why I should stop."

RESEARCH REVIEW

Here is a look at the research being conducted by one of our recent graduates.

Minyuan Zhao (MPhil '02, PhD '04), assistant professor at University of Michigan's Ross School of Business: *Conducting R&D in Countries with Weak Intellectual Property Rights Protection*

Despite significant cost advantages, conducting R&D in emerging economies can be risky due to inadequate protection for intellectual property rights (IPR). Zhao's dissertation research, based on a sample of 1,567 US-based firms, examines the role of firm organization in the protection and appropriation of knowledge. The results show that (1) technologies developed in weak IPR countries tend to be used more internally, and (2) firms conducting R&D in weak IPR countries tend to have much stronger internal linkages among their technologies. She argues that firms can use their global organizations to overcome the lack of institutional support at specific locations. In the case of innovation, the threat of local imitation can be greatly reduced if the firms can efficiently integrate the resultant technologies into products and services being offered worldwide. The message from this study is broadly applicable: even the most adverse environments may offer opportunities to firms with the right internal capabilities.

ALUMNI SPOTLIGHT CONTINUED

he taught finance from 1982 to 2001 and was acting dean of Pace's Lubin School of Business. He retired from teaching in 2002 and views his tenure at Pace as the most satisfying aspect of his career.

Atwater recalls his time at Stern as "invaluable." What made the experience truly unique was the caliber of his professors, among them renowned economist Marcus Nadler and management professor Peter Drucker. Because of the shift from a part-time to full-time program, doctoral candidates at Stern now have the opportunity to devote four or five years to their education, instead of studying part-time as he did. In appreciation of his doctoral training's "extraordinarily valuable" influence on his career in the business, academic, and not-for-profit worlds, Atwater has made generous contributions to support doctoral students at NYU Stern.

In addition to his PhD in finance, Atwater has an MBA from Harvard Business School. He is a former chairman of the Executive Committee of the Institute for International Education. He is also a former chairman of the Board and a trustee emeritus of Heidelberg College, where he earned his bachelor's degree in 1942 and met his wife, Evelyn, a former social studies teacher and advocate for women's rights who died in December 2005 after 61 years of marriage. Atwater has two daughters, three grandchildren, and five great-grandchildren. He is retired and lives in Amherst, New Hampshire. Because he would "rather wear out than rust out," he is writing a book about the Ford Foundation and his experiences in Latin America.

CLASS NOTES

Rev. William McInnes (PhD '54) of Chestnut Hill, MA, recently received the William McKenney Award, the highest award given annually to outstanding alumni of Boston College. He currently serves as chaplain to the Alumni Association and teacher of business ethics in the Carroll School of Management at Boston College.

Jeff Jarett (PhD '67) of North Kingston, RI, recently authored several articles that have been published in leading journals, including *Applied Economics* and *Journal of Applied Statistics*.

Howie Gitlow (PhD '74) of Coral Gables, FL, is a professor in the department of management science at the University of Miami, and Executive Director of the Institute for the Study of Quality. His book, *Design for Six Sigma for Green Belts and Champions: Foundations, DMADV, Tools and Methods, Cases and Certification*, was published in 2006. This summer, Gitlow is teaching a course on Six Sigma management at Stern.

Lewis Chakrin (PhD '78) of Mendham, NJ, has been appointed Dean of the Ramapo College of New Jersey's Anisfield School of Business.

Samuel Rabino (PhD '78) of Boston, MA, is Professor of Marketing at Northeastern University.

Naoki Kishimoto (PhD '87) of Ibaraki, Japan, will spend the next academic year at Stern as a visiting scholar. He is currently teaching at Hosei University.

Woojin Kim (PhD '97) of Seoul, Korea, is Division Head, Financial Institutions Management and Strategic Development, Korea Institute of Finance. Dr. Kim is

also Senior Advisor to the CEO of Pusan Bank and Special Advisor to the Chairman of the Board of Audit and Inspection of Korea.

Gayle DeLong (PhD '98) of Morristown, NJ, is a tenured professor in Baruch's department of economics and finance. She is a district leader for Advocates for Children's Health Affected by Mercury Poisoning (A-CHAMP) and a volunteer for Sensible Action For Ending Mercury-Induced Neurological Disorders (Safe Minds). She lives with her husband and two daughters, who are both recovering from autism.

Viral V. Acharya (PhD '01) of London, UK, is Professor of Finance at London Business School. He and his wife, Manjiree, recently celebrated the birth of their son, Siddhant, on April 15, 2007.

Naomi A. Gardberg (PhD '01) of Port, WA, has been granted tenure and promoted to Associate Professor of Management at the Zicklin School of Business at Baruch College. She and her partner are thrilled to announce the birth of daughters Eva Janette and Helena Ruth on April 5, 2007.

Paolo Pasquariello (PhD '03) of Ann Arbor, MI, is Assistant Professor of Finance at the University of Michigan's Stephen M. Ross School of Business. His second child, daughter Elsa, was born on March 26, 2007, weighing 7 pounds 8 ounces.

Susan Perkins (MBA '95, MPhil '04, PhD '06) of Evanston, IL, is a senior lecturer and Donald P. Jacobs Scholar of Management and Organizations at Northwestern University. She specializes in macroorganizational behavior.

SEND US YOUR NEWS!

Do you have a new job or promotion? An award, honor, or achievement to share, such as the publishing of a new book or an appointment to a board? How about a marriage, new baby, or adoption? Let other alumni know about the exciting things happening in your life.

Send us your news to include in the Class Notes section of a future issue of NYU Stern's PhD alumni newsletter by e-mailing Donna Lashley at dslashley@stern.nyu.edu.

PRESERVING THE PHD PHD ANNUAL FUND UPDATE

The number of PhDs granted in business is one-third less than it was five years ago and is well below the need, which has created an enormous demand for professors with PhDs to teach in business schools. Although some of the demand is met by professionals trained in other areas, such as economics, psychology, or statistics, there is still a substantial shortage. The AACSB estimates unfilled demand is equivalent to seven years worth of production and growing rapidly. Because NYU Stern has the lowest doctoral student to faculty ratio of any major business school, we can expand our program without compromising its quality. However, we don't have the resources to do so.

The doctoral program has four sources of funding: endowment income (about 10 percent of the budget), outside scholarships (another 10 percent of the budget), doctoral student teaching (approximately 20 percent of the budget), and tuition income from other programs. Although doctoral programs play an important role in fostering the reputation of a school and hence enhance the value of master's and bachelor's degrees, there is a limit to how much MBA and undergraduate tuition income can be used for doctoral education.

As our need to increase the doctoral program grows, other competing schools are rapidly increasing their stipends, and, thus, attracting the brightest and most talented students. This has put added pressure on our program. In addition, alumni participation in giving is lower with the PhD fund than with the MBA or undergraduate funds.

I hope you will consider regularly contributing to the doctoral fund. And I hope you feel that your PhD has made a great impact on your life and that maintaining and improving the doctoral program is important. I believe in the program and am a major contributor to the PhD fund. Please join me.

Ned Elton

DID YOU KNOW?

1. There are 1,018 Stern PhD alumni to date.
2. The first NYU Stern doctoral class graduated in 1939.
3. From 1960-2000, Stern was the seventh largest producer of business PhDs in the country and the second largest producer among top business schools.
4. The year 2000 produced 1,071 PhDs from accredited business schools nationwide. Stern accounted for 23 of them, representing 2 percent of the PhD output.

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UPDATE FROM ALUMNI AFFAIRS

A GLOBAL GATHERING



On June 8 and 9, NYU Stern alumni from around the world came together in Italy for *Florence 2007: Global Alumni Conference*. This international event reunited nearly 300 Stern alumni and guests from nearly 20 countries worldwide. The weekend offered intellectual and cultural enrichment and brought

together an eminent group of scholars and business leaders, including keynote addresses from Mario Monti, President of Bocconi University, Milan, and former European Commissioner for Competition, and Ronald P. Spogli, United States Ambassador to Italy.

The conference, co-chaired by prominent Italian alumni James Ferragamo (BS '93, MBA '97) and Salvatore Ferragamo (BS '93, MBA '97), included sessions on "La Dolce Vita: The Business of Wine," "The Piaggio Group: An Italian Business Success Story," "Private Equity in Europe: Benefits, Costs, and Risks," and "Trends in the 21st-Century Global Luxury Market." Attendees enjoyed access to the private Acton art collection and the grounds of the Villa La Pietra and the Vasari Corridor at the Palazzo Pitti.

To read more about this event, please visit the *Florence 2007* website at www.stern.nyu.edu/florence2007.

ATTENTION MANAGEMENT ALUMNI

Join us for the annual NYU Stern Management Alumni Dinner during the Academy of Management meetings in Philadelphia on Sunday, August 5, 2007, at 6:00 p.m. More details to follow by email. For more information or with questions, contact Jennifer Chowdury (J.C.) at (212) 998-0261 or jchowdhu@stern.nyu.edu.

SAVE THE DATE

THE SEVENTH ANNUAL STERN ALUMNI BALL

Saturday, December 1, 2007
8:00 p.m. – Midnight
The New York Public Library

Join fellow alumni and members of the Stern community for this gala event, which has become a special tradition, to celebrate the School and our New York City location during the holiday season.

Visit the Alumni Affairs website at www.stern.nyu.edu/alumni for forthcoming information.