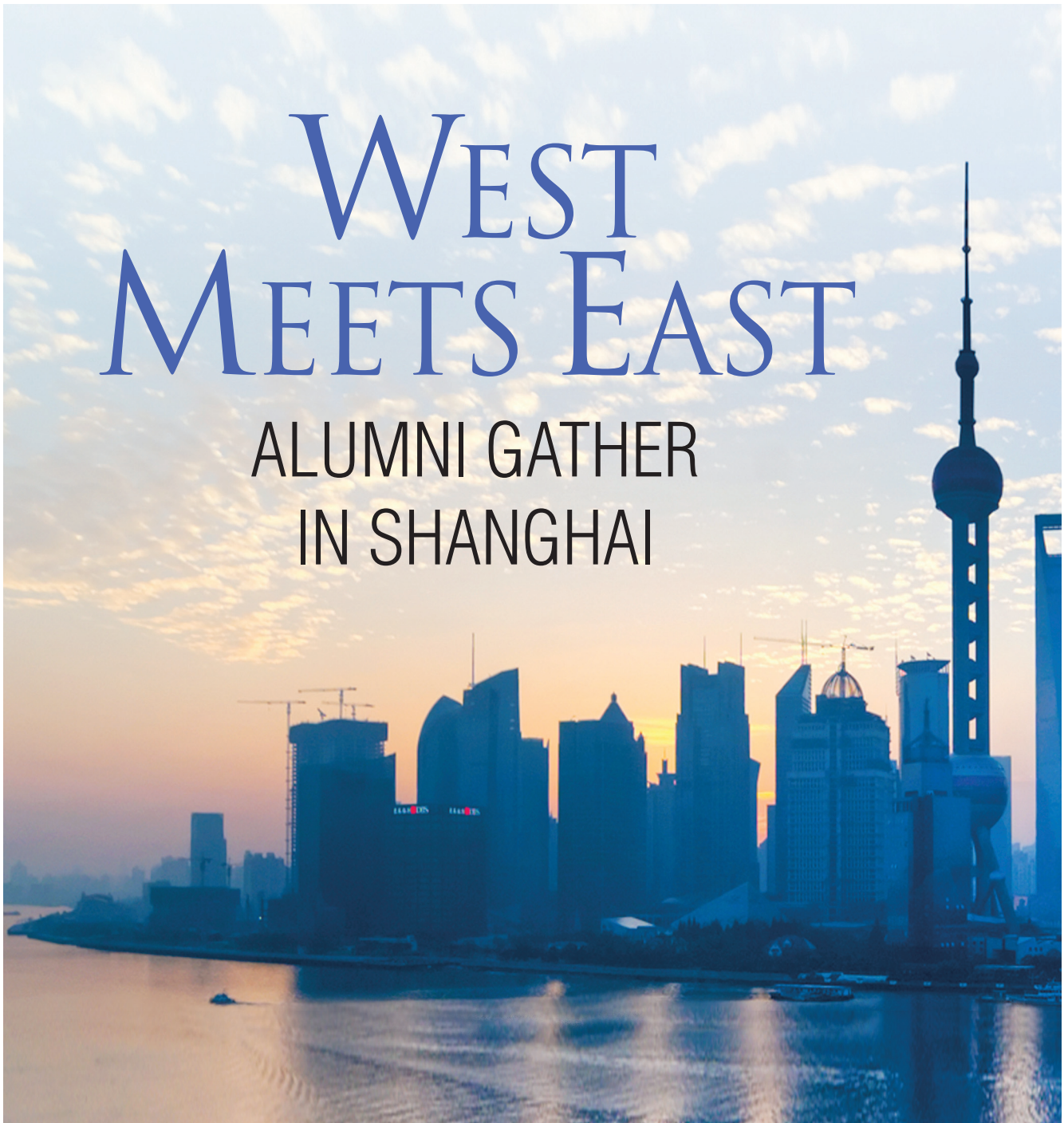


FALL 2013

the Alumni Magazine of NYU Stern
STERN *business*

WEST
MEETS EAST

ALUMNI GATHER
IN SHANGHAI



**New Center for Business and Human Rights • Eric Schmidt, Google & the fully wired world •
Global education at Stern • Nicolas Berggruen returns to his roots • Larry Fink on the Gray Society**



a letter from the

dean

The emergence of Asia as a major player on the global economic stage is one of the defining characteristics of our nascent 21st century. The inauguration of NYU Shanghai, the newest portal campus at NYU, reflects Asia's significance and highlights the leading role Stern plays within our forward-thinking institution. Not surprisingly, there's a tremendous appetite in China for business education. At our 2013 Global Alumni Conference in Shanghai in June, we shared that fully half of the incoming Shanghai class this September plans on studying business and finance.

At the conference, Stern's own Eitan Zemel, who serves as vice dean for global and executive programs here in New York, moderated an inspiring panel on education. Eitan, who has been appointed dean of business and engineering at NYU Shanghai, emphasized that learning will go both ways – the Shanghai campus and NYU's partnership with the East China Normal University will give the academic community unparalleled opportunities for cross-cultural idea exchange in this vibrant part of the world. Conference coverage starts on page 6.

Alumni attending the conference also had the chance to meet Michael Posner, Stern's newly appointed professor of business and society. Fresh from a stint at the State Department, where he shaped policy on a wide range of issues, Mike teaches at both the undergraduate and graduate levels and has just launched the innovative Center for Business and Human Rights – the first ever at a business school – deepening Stern's commitment to doing well and doing good (page 12).

Joan Barry McCormick, our new associate dean for alumni and development, met members of our alumni family at the conference and looks forward to getting to know many more of you. Joan brings 24 years of fundraising experience in higher educa-

tion and healthcare to Stern. Her stellar experience, along with her energetic and collaborative leadership skills, takes our alumni relations and development efforts to new heights.

NYU Shanghai may be the latest international venture for Stern, but it's hardly the first. Your School historically has been on the leading edge when it comes to extending business education beyond US borders. This year marks the 10th anniversary of our "Doing Business in..." program, and we boast a 40-year record of global education across our undergraduate, MBA, and executive degree programs (page 42).

Also in this issue, you'll enjoy reading about Nicolas Berggruen (BS '81), a private-equity investor with a remarkable slant on life (page 15); marketer Beth Hirschhorn (MBA '93) (page 18); and consultant Susan Salgado (PhD '03) (page 16). We also highlight faculty research papers that shine a light on mobile communications and democracy, the influence of political ideology on supermarket purchases, and political immunity and corruption (starting on page 24).

I'm hoping that by the time you read this, we will have had the chance to meet in person and talk about your School, your careers, and your ambitions, as I will be traveling to several countries this fall. Meanwhile, please know how grateful we are for your continuing support of and engagement with our programs. Stay connected – it is through your commitment that we, and future generations of Stern alumni, shape a thriving global community.

With all good wishes,

Peter Henry
Dean

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AN ARRAY OF THOUGHT LEADERS SHARE THEIR VIEWS AT STERN

The new year at NYU Stern brought talk of the "Gray Society" ...



BlackRock's Laurence Fink addressed the challenges and opportunities presented by the aging of the Baby Boom generation.

In May, **Laurence Fink**, CEO of BlackRock and NYU Trustee, spoke to Stern MBA students and faculty about preparing to meet the challenges of what he calls the Gray Society – the historically huge demographic wave of elderly people that is already upon us. In a talk aptly entitled “Longevity in the Age of Twitter,” Fink called for a revamping of the national retirement system. “The current system is not working and we need a comprehensive approach that includes some form of mandatory savings in addition to Social Security,” he said. “Longevity is the defining challenge of our age. It will affect your financial security, your tax bill, and your job prospects; in short, your future, and the future of the global economy.” Fink concluded by urging his audience to speak out on these issues. “Longevity is an issue of social justice that will have a more profound impact on your generation than on any generation before,” he stated.

...and a lesson on leadership from US Army General Stanley McChrystal (Ret.)

“What does it take to win?” asked retired US Army General **Stanley McChrystal**, former commander of the International Security Assistance

Force and US Forces in Afghanistan. McChrystal addressed more than 200 students and alumni on January 11. Hosted by the TRIUM Global Executive MBA Program, an alliance among NYU Stern, the London School of Economics and Political Science, and HEC School of Management in Paris, McChrystal spoke



(Top) General Stanley McChrystal (Ret.) talked about leadership. (Bottom) From left to right: Curt Cronin, TRIUM student ('13); Naomi Diamant, deputy assistant dean, TRIUM, and assistant dean, Global Degree and Executive Programs; Erin O'Brien, associate dean, Global Degree and Executive Programs; General Stanley McChrystal (Ret.); Mary Logan, assistant dean, TRIUM; Professor Sonia Marciano, academic director, TRIUM; and Eitan Zemel, dean of business and engineering, NYU Shanghai, and vice dean, Global and Executive Programs, NYU Stern

candidly about lessons in leadership.

He emphasized the need for trust, teamwork, and timing in addition to talent, technology, and tactics to succeed in today's complex and changing world. “Winning also takes something else,” he continued. “Success in competitive environments – whether in business or the military – takes a shared consciousness and purpose.” When faced with a problem and a landscape that are unknown, he stressed the importance of transparency and inclusiveness. Sharing informed perspectives across the organization builds a sense of common ownership and responsibility for a clearly understood mission, he explained: “Everyone, regardless of rank, owns the problem.”



Nobel Laureate **Muhammad Yunus**, founder of Grameen Bank, addressed students from NYU Stern and NYU Wagner School of Public Service during a special lecture and Q&A session in April. Yunus shared his passion and vision for serving the poor through inclusive social businesses and emphasized that today's schools, organizations, and initiatives need to produce fewer job seekers and more job creators.

...as well as visions of urban design...

As a part of the "Conversations on Urbanization" series held by NYU Stern's Urbanization Project, former Toronto Mayor **David Miller** spoke with **Paul Romer**, director of the Urbanization Project and professor of economics. During the conversation, they discussed how



Miller developed Toronto and built out the city's public transportation system during his time as mayor, and the urban planning lessons he had learned in the process. Miller stressed the need for planners to consider climate change, as well as the difficulty in changing street patterns and transportation systems once they have been established.

The Salomon Center for the Study of Financial Institutions hosted a conference on April 11 on resolution authority and structural reform, two important, worldwide initiatives in banking regulation since the financial crisis of 2007 to 2009. The conference brought together regulators, finance and legal practitioners, and finance and



legal academics, who discussed how the goals of resolution powers and structural reform can best be achieved in practice. **Sir John Vickers**, former chairman of the UK Independent Commission on Banking, addressed the attendees.

...while talk turned to the state of the world's financial systems.

In a panel discussion at Stern in April, former Federal Reserve Chairman **Paul Volcker** observed that fixing and restructuring America's complex financial system is "a very difficult process... that's not going to happen in a hurry." That is because "attitudes haven't



Paul Volcker (right) critiqued regulatory reform since the financial crisis. Other panelists (above) included Sir John Vickers, former chairman of the UK Independent Commission on Banking; Harvey R. Miller, senior partner, Weil, Gotshal & Manges, LLP; Jim Wigand, director, Office of Complex Financial Institutions, FDIC; Professor Bruce Tuckman, NYU Stern; Gregory Baer, managing director, general counsel, Corporate and Global Regulatory, JPMorgan Chase & Co.; and Stephen Lubben, Seton Hall University School of Law.



changed," and some regulatory reform has become tangled up in politics. Even the so-called Volcker rule, part of the 2010 Dodd-Frank Act, has yet to reach a final draft, due to disagreements

among the five agencies involved in drafting it. Asked Volcker, “Is that an effective way to regulate the financial system?” **Sir John Vickers**, also a panelist, discussed some of the progress that has been made, particularly international cooperation between the US and Great Britain since the financial crisis. Volcker reiterated his position that the business of central banks is to “maintain price stability and stay out of the markets as much as possible.” However, he said, “We’re a long way from that pattern now.”

...Some noted improvement efforts since Dodd-Frank...

Richard Berner, the first director of the US Treasury’s Office of Financial Research (OFR), which supports the Financial Stability Oversight Council, spoke to Stern faculty and students about financial stability, financial regulation, and the goals of the OFR to measure and report on the health of the financial system. Berner indicated a need for more research on the shadow banking system and for more data on repo markets and OTC derivatives. The Center for Global Economy and Business, led by Professor **Kim Schoenholtz**, hosted the event.

...while others discussed what went wrong.

Stern’s Center for Global Economy and Business also hosted a public discussion with NYU Law Professor **Neil Barofsky**, the author of *Bailout: An Inside Account of How Washington Abandoned Main Street While Rescuing Wall Street* and former Special Inspector General of the Troubled Asset Relief Program. **Thomas Cooley**, Paganelli-Bull Professor of Economics and former dean of NYU Stern, interviewed Professor Barofsky and moderated the audience Q&A.

Real estate finance mavens talked topics of the day....

On April 30, the Center for Real Estate Finance Research and **Jerry L. Cohen** (BS ’53, MBA ’59), a member of the NYU Stern Board of Overseers and partner of Tishman Speyer Properties, hosted the Center’s Second Annual Symposium. The day-long event focused on four hot topics in real estate finance: real estate as critical infrastructure requiring resiliency and sustainability; global investing over the past decade; whether single-family housing is an opportunistic investment or a new asset class; and the impact of the Internet on commercial real estate.

...entrepreneurs hit the jackpot...

NYU’s most promising innovators received a combined \$200,000 in start-up cash at the annual \$200K Entrepreneurs Challenge held by NYU Stern’s Berkley Center for Entrepreneurship and Innovation. The May 3 award ceremony marked the culmination of one of the largest and most rigorous accelerator programs in the world. More than 178 teams comprising over 500 entrants from 14 schools at NYU competed this year in one of three contests: New Venture; Social Venture, for



those pursuing both social impact and financial sustainability; and Technology Venture, showcasing teams focused on bringing in-

On April 26, **Geeta Menon**, dean of Stern’s Undergraduate College, hosted an event with **Nandan Nilekani** (photo right), chairman of the Unique Identification Authority of India (UIDAI), and Professor **Arun Sundararajan** (photo left) about the success of the UID, India’s investments in digital infrastructure, and the initiative’s innovative private-public partnerships. Sundararajan also outlined a research program with Professor Ravi Bapna and the Indian School of Business Hyderabad that will measure the socioeconomic impact of the UID over the coming decade. Earlier that same week, as part of Stern’s innovative “Business and its Publics” course taught by Professor **Batia Wiesenfeld**, Sundararajan described India’s massive digital identity initiative and shared video clips of his conversations with Nilekani with the Undergraduate College Class of 2016.





(from the top) Kinvoled with Professor Jill Kickul, director, Program in Social Entrepreneurship; Ocologica with Paul Horn, senior vice provost for research, NYU; and Databetes with Paul Horn. (On page 4) Smart Vision Labs with Dean Peter Henry and Professor Luke Williams, executive director, Berkley Center for Entrepreneurship and Innovation.

tellectual property developed at NYU to market. The four winning teams, composed of students, alumni, and faculty from seven different schools across campus, were chosen after pitching their ideas and enduring grueling questioning by judges from venture capital, technology and design, and social enterprise sectors. **Luke Williams**, executive director of Stern's Berkley Center for Entrepreneurship and Innovation, said: "In the end, each team emerged

with a new business concept that imagines a powerful market disruption and a plan to transform it into reality."

...and learned from practitioners...



Hamdi Ulukaya, center, of Chobani, poses with Cynthia Franklin and Luke Williams of Stern's Berkley Center for Entrepreneurship and Innovation.

Chobani Founder and CEO **Hamdi Ulukaya** was the featured speaker in late April at a Himelberg

Speakers Series event sponsored by Stern's Berkley Center for Entrepreneurship and Innovation. Ulukaya built Chobani into a \$700 million business and the No. 1 US yogurt in just four years, during the country's worst economic crisis in decades. **Alessandro Piol** and **Maria Teresa Cometto**, co-authors of *Tech and the City: The Making of New York's Startup Community*, were featured speakers at a Himelberg Speaker Series event several days earlier.



Alessandro Piol, pictured with Cynthia Franklin of Stern's Berkley Center for Entrepreneurship and Innovation, and Maria Teresa Cometto, below, wrote about New York's start-up community.



...while others discussed career trajectories.

Dean of the Undergraduate College **Geeta Menon** hosted a Roundtable Luncheon on May 13 with **Andrew Schulte** (BS '06), chief of staff for Yahoo! CEO Marissa Mayer. From product strategy and investor communications to employee experience and brand marketing, his role touches on many key areas of the company. Schulte discussed his time at Stern and how his professional experiences led him to his stints at Martha Stewart Omnimedia, Google, and Yahoo! ■



At a roundtable luncheon hosted by Dean of the Undergraduate College Geeta Menon (five in from the left), alumnus Andrew Schulte of Yahoo! (four in from the left) shared his career experiences.

A WHIRLWIND OF NETWORKING, LEARNING, AND CULTURAL EXCHANGE

MADE FOR A REWARDING 2013 GLOBAL ALUMNI CONFERENCE IN CHINA

SHANGHAI EXPRESS

By **Marilyn Harris**





NYU Stern's 2013 Global Alumni Conference kicked off in Shanghai on June 20 with an air of excitement and anticipation that was generated by the context surrounding the gathering: the celebration of NYU's newest campus and the unmistakable dynamism of its Shanghai setting.

More than 250 alumni and guests from around the globe gathered at the spectacular Ritz-Carlton Shanghai, Pudong, to meet and mingle with Nobel laureates, top Chinese government and industry officials, Stern faculty, and each other. An exceptional and meticulously choreographed experience awaited them, courtesy of the alumni host committee, co-chaired by Andre J.L. Koo (MBA '94), chairman of Taipei-based Chailease Group, member of the NYU Stern Board of Overseers, and NYU Trustee; and Peggy Yu Yu (MBA '92), executive chairwoman of Beijing-based dangdang.com.

Hinting at a key message of the conference, Dean Peter Henry opened the proceedings with an acknowledgment of the School's more than 100,000 alumni spanning 125 countries who "keep Stern on the rise." He remarked, "People, markets, and nations are inextricably linked." As Dean Henry observed in his recent book, *Turnaround: Third World Lessons for First World Growth*, "We are here in China to learn as well as to teach.... At Stern, we believe business can be the most powerful force to improve the world."

"We are here in China to learn as well as to teach... At Stern, we believe business can be the most powerful force to improve the world."

— Dean Peter Henry

With that, it was on to two days of provocative panel discussions, cocktail receptions, exotic dinners, and optional tai chi or cooking lessons and tours of historic Shanghai and its environs.

All eyes on China

An attraction among the Saturday morning sessions was Zhu Min, the deputy managing director of the International Monetary Fund. Both China and the world are changing dramatically, Zhu said, and connectivity is a major theme for both. He pointed out that in China, 1.3 billion people are moving into the middle- and high-income classes. "What will their lifestyle be like?" he asked, noting that China lacks the resources to support a fully American lifestyle.

This major shift in China's evolution was described in more detail during the next session, a discussion with Stern's Michael Spence, Nobel laureate and William R. Berkley Professor in Economics and Business, and Qiao Yide, vice chairman and secretary general of the Shanghai Development Research Foundation. The country is undergoing a rebalancing toward consumption from export, or as Spence put it, "a middle-income transition." The reforms sought by China's government are aimed at causing this to happen, he explained, because current consumption accounts for less than 40 percent of GDP, a very low number, and is inconsistent with the evolution of a growth program.

Center photo: Dean Peter Henry (left); William R. Berkley (BS '66), vice chairman of NYU Trustees and chairman of the Stern Board of Overseers (second from right); and conference co-chairs Peggy Yu Yu (MBA '92) and Andre J.L. Koo (MBA '94), NYU Trustee and member of the Stern Board of Overseers, welcomed more than 250 alumni and guests to NYU Stern's 2013 Global Alumni Conference in Shanghai. Right photo: Marianne Engle (left) and Jana Koo

NYU STERN



“China has to get the transition more finely tuned and right,” Spence added. Qiao projected that if the government can build the kind of social safety net that gives its citizens security, they will consume more and the country could move from middle-income to high-income status in 20 years.

The broader picture of China’s economy was followed by lunch at the hotel, with its spectacular views of the Huangpu River and downtown Shanghai. Well fortified, attendees then were treated to a panel discussion on the human challenges of manufacturing in China, moderated by Raji Jagadeesan, associate dean of China initiatives at Stern. The discussion focused on firms’ responsibilities to workers. Participants were Michael Posner, professor of business and society, director of the Center for Business and Human Rights, NYU Stern, and former assistant secretary of state for the Bureau of Democracy, Human Rights, and Labor, US Department of State; Louis Woo, chairman, NC-IH Holdings Ltd., a member of Foxconn Technology Group, and former Apple executive; Yin Guoxin, president of the Chenfeng Group, a textile manufacturer; and Bruce Buchanan, C.W. Nichols Professor of Business Ethics and director of the Business and Society Program Area at Stern.

With the recent factory collapse and 1,100 deaths in

Bangladesh in mind, the discussants laid out the complexities of manufacturing in developing countries and the responsibilities of manufacturers to their local workers. “We’re trying to develop a new model of how manufacturers and brands can be part of an approach that’s sustainable; responsible in regard to workers, consumers, and investors; and profitable,” said Posner. Woo explained the enormity of the challenge for huge manufacturers like Foxconn, which employs between 1 million and 1.5 million workers each year in China alone. “Managing this new generation of workers, who have different values than earlier generations and are looking for more from a job than just money, is an ongoing process of change for us,” Woo acknowledged.

Making it right

Buchanan pointed out that companies that ignore their ethical responsibilities do so at their own risk. “Part of branding is the ethical responsibility of the brand throughout the supply chain,” he said. “The ultimate regulator is the consumer. If consumers demand ethics, the brand will have to deliver it. A well-managed brand realizes the whole system is connected.”

The final session of the day took the form of three classroom sessions, where Stern Professors Luke Williams,



1. (from left to right) Yu Lizhong, chancellor, NYU Shanghai; Peggy Yu Yu (MBA '92), conference co-chair; Eitan Zemel, dean of business and engineering, NYU Shanghai, and vice dean for global and executive programs, NYU Stern; William R. Berkley (BS '66), vice chairman of NYU Trustees and chairman of the Stern Board of Overseers; Shen Xiaoming, vice mayor, Shanghai Municipal Government; Dean Peter Henry; Jeffrey S. Lehman, vice chancellor, NYU Shanghai; and Andre J.L. Koo (MBA '94), conference co-chair, member of NYU Trustees and Stern's Board of Overseers 2. Professor Paul Romer explored what lessons can be learned from China's urbanization experience. 3. Raji Jagadeesan, associate dean, China Initiatives, NYU Stern (far left), moderated a panel discussion on "Manufacturing in China" with (from left to right) Professor Michael Posner; Louis Woo, chairman, NC-IH Holdings Limited; Yin Guoxin, president, Chenfeng Group; and Professor Bruce Buchanan. 4. Dean Peter Henry signed copies of his new book, *Turnaround*. 5. Professor Yuxin Chen described how NYU's Shanghai model attracted him back to the University. 6. Professor Robert Salomon shared insights on globalization.

Robert Salomon, and Scott Galloway inspired and entertained the crowd. Williams, executive director of Stern's Berkley Center for Entrepreneurship and Innovation and clinical associate professor of marketing and entrepreneurship, held forth on the importance of creativity and how to stimulate it on the level of, for instance, Picasso. "When ideas are shared, they multiply, not just add up," he said, reminding the audience that "even business models can be works of art."

Salomon (MPhil '00, PhD '02), associate professor of international management and Daniel P. Paduano Faculty Fellow of Business and Ethics, changed the subject to venture his theory that the world is not, in fact, flat, and that companies have over-invested in globalization. He pointed out that foreign firms fail at a much higher rate than domestic ones and stated that company managements tend to overestimate the benefits and understate the costs of expanding internationally. "Institutional differences across markets make it much more difficult to operate in a foreign country," he said, and presented an algorithm that computes the risk and cost of venturing overseas. US firms that expand to China face a risk spread of about 16 percent, he demonstrated, but the risk for Chinese firms expanding to the US is only 12 percent. American firms would risk far less expanding to Canada: only 4 percent.

Small data, large insights

Next to take the floor was Galloway, clinical professor of marketing and founder of L2, a luxury marketing think tank. Galloway spoke about luxury, social media, and his contrarian focus on small data, which he described as observable, actionable bits of information. Small data has generated insights that have propelled social media platforms such as Pinterest, Instagram, and YouTube into the lead when it comes to reaching users and converting their interest into purchases. "We are trying to develop a disciplined, rigorous approach" to understand the implications of small data, Galloway said, because marketers have lately realized that the key to reaching users through social media is to target their online behavior. Upscale consumers aren't looking for personal attention but rather "low-touch luxury," he said. "We are raising a new generation of wealthy introverts," who prefer e-commerce mainly because salespeople are taken out of the equation. A third of the earth's population are consumers today, he added, but in 15 years that figure will double: "Luxury is not a 'cute' industry – it's enormous."

With that, the day's program ended and attendees repaired to a champagne reception featuring Moët Hennessy.

The morning sessions on Saturday began with a comprehensive overview of NYU Shanghai and higher educa-



tion in China generally, presented by top administrators representing both NYU Shanghai and NYU's local partner, the East China Normal University (see box on page 11). Then, prominent professors and practitioners, including Stern's Robert Engle, Nobel laureate and director of the NYU Stern Volatility Institute, tackled global financial stability and whether China measures up.

After a luncheon, attendees strolled across the street to the Pudong Shangri-la Hotel for the afternoon program. There they found Adam Brandenburger, J.P. Valles Professor of Business Economics and Strategy and vice dean for graduate education at Stern, who introduced a video presentation on the NYU Global Idea Exchange (GIE). Brandenburger and Jessie Hsieh, associate director for graduate education and adjunct instructor at Stern, helped bring the GIE to fruition last fall. A custom social collaboration network, this novel and experimental project connects all 55,000 NYU students and faculty so that they can, in essence, crowd-source solutions to an annual question, in this case, "How might we activate the potential of cities to ignite a modern renaissance?" Selected teams of participants traveled to Shanghai over spring break to continue working the problem. Affirmed Brandenburger, "Our job at the NYU Global Network University is to build a boundary-less and borderless learning community."

Prior to Dean Henry's closing remarks, attendees spent a rapt hour listening to Stern Professor Paul Romer, direc-

tor of the School's Urbanization Project, present his views on the opportunities and challenges confronting developing countries as they transition from largely rural communities to urban population centers. Romer illuminated the sequence of positive changes that accompany this structural transformation: income rises, people gain skills, and jobs in manufacturing shift to the service sector. "Cities can make us smarter, but only if you use them to create learning opportunities for everyone," Romer said. "That is the opportunity that urbanization presents, but it takes good policy to make that happen."

Closing festivities for the 2013 Global Alumni Conference took place at the Shanghai Science & Technology Museum, in Pudong, an extraordinary, curvilinear structure designed by global architects RTKL to "embrace the culturally sensitive past and represent the future of an emerging high-tech city." Attendees enjoyed the entertainment, which included juggling, acrobatics, and a traditional Dragon Dance, following the cocktail hour and dinner. All agreed that the two days of reconnecting with old friends and making new ones, while learning about partners and opportunities in this most cosmopolitan and exotic setting, was an especially pleasant way of drawing the world a little bit closer.

To watch videos and see more photos from the Global Alumni Conference in Shanghai, visit www.stern.nyu.edu/sternbiz/shanghai2013. ■

1. Zhu Min, deputy managing director, International Monetary Fund, joined a conversation on the issues of discipline, clarity, and trust in a global economic context. 2. Dean Peter Henry talked with Shen Xiaoming, vice mayor, Shanghai Municipal Government. 3. Nobel Laureate Professor Robert Engle (right) and Timothy Moe (MBA '84) of Goldman Sachs (left) discussed the future of banking and finance in China. 4. Professor Luke Williams moderated a roundtable on innovation and entrepreneurship. 5. Professor Scott Galloway brought alumni back to the classroom in a session with three Stern professors on innovation, small data, and globalization. 6,7,8. Alumni from around the world gathered in Shanghai to reconnect with old friends and learn about partners and opportunities in today's global marketplace. 9. Professor Jennifer Carpenter (left) mingled with Stern alumni. 10. Stefano Russo (MBA '81), member of Stern's Executive Board, and his wife, Luisi Todini, drank a toast to NYU's Shanghai partnership. 11. Joan Barry McCormick, associate dean for alumni and development (right), met with alumni. 12. (from left to right) Professor Luke Williams; Jessy Hsieh (MBA '10), associate director for graduate education and adjunct professor; and Professor Adam Brandenburger, vice dean for graduate education. 13. Eitan Zemel, dean of business and engineering, NYU Shanghai, and vice dean for global and executive programs, NYU Stern (far left), introduced a panel discussion on the opening of NYU's newest portal campus – NYU Shanghai – with (from left to right) Jeffrey S. Lehman, vice chancellor, NYU Shanghai; Yu Lizhong, chancellor, NYU Shanghai; Chen Qun, president, East China Normal University; and Tong Shijun, chairman, University Council, East China Normal University.



High Hopes

It's safe to say New York University and the East China Normal University (ECNU) have entered into their union with a tremendous amount of optimism and a spirit of discovery. NYU Shanghai, the two schools' venture, welcomed its first class in September. As the third portal campus at NYU, after New York and Abu Dhabi, NYU Shanghai, as Eitan Zemel, dean of business and engineering for NYU Shanghai, said, is "a very big deal."

NYU Shanghai welcomed its first class of undergraduate students in the fall of 2013. Fully 51 percent of those students are from China, and the rest from other parts of the world. While 12 majors will be available initially, half of incoming students have already indicated business and finance is their primary interest.

Zemel, who is also vice dean for global and executive programs at Stern and W. Edwards Deming Professor of Quality and Productivity, chaired a panel at the conference about NYU Shanghai, which, he pointed out, "can impact... the future of higher education in China."

Jeffrey S. Lehman, NYU Shanghai's vice chancellor, called the new school "the single most exciting venture in higher education I have ever been affiliated with."

Lehman explained that Chinese law now allows for joint venture universities, of which NYU Shanghai is only the third such example – and the only American-partnered one. For NYU, the new portal completes the decade-long process of expanding in a global way, said Lehman. For China, he added, "We are an intrinsic part of its effort to

transform Chinese education by 2020."

Chen Qun, president of ECNU, called NYU Shanghai important for China and the world and said, "Our close collaboration will lead NYU Shanghai to an extremely promising future." Tong Shijun, chairman of ECNU's University Council, said, "We are eager to prepare our students to adapt to the increasingly globalized and urbanized world."

NYU Shanghai's Chancellor Yu Lizhong struck a note of excited anticipation, saying that joint research programs will play a key role in the new university, especially collaborations with scholars from Stern aimed at understanding Shanghai and economic development in China. "The future of the world needs this type of experiment," he stated.

For panelist Yuxin Chen, recently appointed the Wenliang Wang Distinguished Global Professor of Business with an affiliation in Stern's marketing department, relocating his family to NYU Shanghai and rejoining the NYU faculty, where he had earlier worked for a decade, means more than a homecoming. For Chen it signifies the opportunity to do the kind of meaningful joint research that he considers key to innovation. "NYU Shanghai," he said simply, "lets me dream globally."

A CATALYST FOR CHANGE

MIKE POSNER SAYS
BUSINESS CAN BE A
POWERFUL FORCE FOR
HUMAN RIGHTS

In March 2013, Michael H. Posner was appointed professor of business and society at NYU Stern, where he and a colleague, Sarah Labowitz, are launching the first-ever Center for Business and Human Rights at a business school. Prior to joining Stern, Posner served from 2009 to 2013 in the Obama administration as assistant secretary of state for the Bureau of Democracy, Human Rights, and Labor at the State Department. From 1978 to 2009, he led Human Rights First, a New York-based human rights advocacy organization. A Chicago native who resides with his wife and three teenagers in New York City, Posner has throughout his career been a prominent voice in support of human rights protections in global business operations in the manufacturing supply chain, the extractives industry, and the information and communications technology sector. He spoke with *STERNbusiness* about his work and plans for the new center.

1. What's the status of the garment industry's efforts to remedy the unsafe working conditions in Bangladesh?

There are two separate agreements among about 90 companies. The first, known as the "accord," has mostly European signatories; the second, the "alliance," was signed by a group of American companies including Wal-Mart, Gap, Macy's, and J.C. Penney. Both agreements focus on creating common standards for factory safety and a way to determine if factories are abiding by those standards. Between them, the companies have agreed to donate or loan at low interest \$250 million over five years to remedy any problems. It's very positive that so many companies representing different perspectives on these issues have agreed to work collectively. This is a watershed moment where issues of the supply chain model are being reassessed. At Stern, Sarah and I organized a meeting in early September that brought together global retailers, Bangladeshi manufacturers, governments, and civil society to take a holistic look at the challenges and to encourage a coordinated response. It's our signature issue for the first year of the center.

2. How can global manufacturers set rules of the road in a global economy where low-wage, labor-intensive jobs are increasingly carried out in places like China and Bangladesh where there are insufficient labor laws or enforcement?

Part of that issue is a sourcing model where the lowest price is the driver. This has pushed local manufacturers to cut corners, offering lower pay for longer hours and providing fewer protections. The garment, toy, and electronics industries get a lot of attention, but the same challenges face every manufacturer involved in making products in low wage, labor-intensive industries. This includes those who make component parts for automobiles, refrigerators, or other such products. Part of the challenge for smart businesses is to develop standards across an industry; better metrics; longer-term relationships throughout a perhaps smaller supply chain; and a plan for addressing these issues in a sustainable way.

3. You spent 31 years at Human Rights First after a very brief stint at a corporate law firm. What in your background and/or what event(s) triggered that move?

In my own family background, all my grandparents came from Europe – from Hungary on one side and Poland and

France on the other. Every branch of my family suffered terribly during the Holocaust. I grew up understanding the importance of respect for human rights and a need for international standards and a means to enforce them. In law school I spent a semester in Geneva working with a human rights group, the International Commission of Jurists, where I wrote the first book-length report on Idi Amin's Uganda. It made me realize there were still unconscionable things going on in the world, with not enough people focused on challenging these actions. At the law firm, I continued to work with Ugandan refugees in Chicago (where I was based) who were seeking political asylum. When the opportunity came along to help start a new human rights organization, I realized this was an area where I could make a difference, and I have now devoted most of my career to these issues.

4. What was it like working in government versus a non-governmental organization? What do you expect from an academic setting?

Working in a vast organization like the US government was very different from being at an NGO – where you had wide latitude to speak out on things and be an advocate – but there were fewer constraints in our government than I had been led to believe. I had a very positive experience, in part because the leadership, especially Secretary of State Hillary Clinton, was very supportive of what we were doing. During my tenure at State a number of important human rights issues came to the fore, from the developments around the Arab Awakening to the remarkable transition in Burma/Myanmar, where we helped promote a very important reform agenda. Our team at the State Department also led our government's efforts on issues such as Internet freedom and LGBT rights. In places where we were able to get traction, we were able to have very meaningful impacts. When you get the opportunity to make the US government a force for good, it's very powerful.

An academic setting brings different challenges, but we're in a good place here at Stern to open up a discussion that's been percolating for a long time but hasn't really crystallized. Dean Peter Henry has a vision of transforming the business school to be a leader in shaping the relationship of business to society, and helping business students become effective stew-

ards of their own companies in a way that's also beneficial to society more broadly. In addition, Stern has a growing unit on business and society that's attracting a greater number of both undergraduate and MBA students who share this broader vision of what business is about – what it means to do well and do good in the 21st century. These are future business leaders who want to succeed in business in a way that's consistent with their own personal values and professional aspirations.

5. How important is it to bring together business, academia, and government around the human rights issue?

Human rights issues can't be resolved by any single company. The issues are so big that no one entity can really make a meaningful difference. So Sarah and I are building a program that seeks to work with business leaders and to help them develop clear human rights standards that they can apply and to balance the roles for business, government, international financial institutions, and civil society. We are taking on a big set of issues, and to succeed we need to create an environment where all of the relevant constituencies will come to the table. An academic institution like Stern can provide a venue, technical and academic expertise, and a safe space, while serving as a catalyst for these disparate groups to work together to build on their shared objectives and navigate their differences.

6. Of the many human rights issues, why did you choose to become involved with business ethics?

The US is the most powerful government in a world where governments are a lot less powerful. Today violent extremist groups like Al Qaeda have the capacity to disrupt our existence, yet these groups do not have a flag and have no interest in abiding by international standards. In natural disasters, governments turn to NGOs, religious organizations, and civil society groups to help solve problems that in the past, governments might have been able to handle on their own. And so in a wide range of areas these nongovernmental groups are more important players than ever before. And of the 100 biggest global economies, only half are states, the other half are private companies. If you compare annual revenues to GDP, Wal-Mart is the 25th biggest economy in the world. I kept asking people in our government why don't we have an ambassador to Wal-Mart? Given their power and influence there is an increased need for big global companies to re-examine their role in the world. While it is the primary duty of government to protect human rights, in this imperfect world we also need to be thinking about the evolving rules of the road for global businesses.

7. A Center for Human Rights could logically exist at other NYU schools – e.g., Law, Wagner/Public Policy. What inspired you to establish it at Stern?

I was keen to come to the business school because it is the best place to engage with the business community and to help them explore business challenges and opportunities.

8. What are your immediate plans for the Stern center? What do you ultimately hope to accomplish?

We have three immediate goals. The first is to develop a solid program of teaching and research. Professor Paul Wachtel and I are teaching an undergraduate course examining how human rights considerations apply to business and how these concerns play out in various industries. For MBA students, Professor Bruce Buchanan, CNBC anchor and NYU Trustee Maria Bartiromo, and I are teaching a class on global markets, human rights, and the media. On a parallel track we are developing a research agenda where we want to generate one or two big reports per year, plus smaller papers that help define and shape the field. A second broad area for the Center will be as a

convener. We aim to use the convening power of Stern to generate concrete and useful conversations – such as our fall meeting on Bangladesh. The third priority for us is to develop a program of public education and advocacy. We want to generate a broader discussion of these issues among consumers, investors, and the general public, which would be a great incentive for businesses to take these issues seriously – similar to the types of discussions several decades ago that led to the growth of the environmental movement and changed our ways of looking at issues like recycling and climate change.

In addition to big global issues, longer-term we'd like to address another evolving human rights issue: the status of women in the business world. That's very much tied to notions of equality, fairness, and dignity, and even in our own very developed economy, there's still a long way to go.

9. Of your many accomplishments in human rights, of which are you proudest?

In the early 1980s I helped draft and advocate for the first US law on political asylum. In the 1990s I worked with a dedicated group of colleagues to shape the debate on international justice, which led to the creation of the International Criminal Court. After the 9/11 attacks I was part of an important effort at Human Rights First to work with a distinguished group of retired US military leaders, generals, and admirals, to advance rights respecting national security strategies. And I'm really excited about what Sarah and I are doing at Stern. It's a new and exciting chapter for me in an area that's going to be increasingly important in this increasingly globalized world in which we live. ■

“Human rights issues can't be resolved by any single company.... We need to try to find a balance of roles for business, government, international financial institutions, and civil society.”

QUESTIONS

NICOLAS BERGGRUEN (BS '81)
Chairman, Berggruen Holdings



Nicolas Berggruen grew up in Paris, where his father was Pablo Picasso's art dealer. He is chairman of Berggruen Holdings, a privately held New York-based private equity firm that buys troubled companies and turns them around. Berggruen famously jettisoned his homes and many physical possessions several years ago as part of a lifestyle shift where he focuses on his abiding interests in politics and philosophy. Berggruen established and funds the Berggruen Institute on Governance, an umbrella think tank that includes the Council for the Future of Europe, the 21st Century Council, and the Think Long committee in California. He is a student of Eastern philosophy.

1. What was it like growing up with Picasso as a friend of the family?

Unfortunately, I was too young to remember any of it. But I did grow up with some of his pictures on the wall, and it gave me an appreciation for beauty and creativity – and boldness. For that I'm grateful.

2. You have undergone a couple of key transformations in your life – early on, from high school Marxist and rebel to billionaire businessman. What led to this particular metamorphosis?

I was lucky to be born in an environment where I had choices and possibilities. As an adolescent, I was concerned with politics and big philosophical questions. As I matured, it seemed like the way to tackle those things was by learning about the real world. Transformation makes life interesting and worth living.

3. Despite your earlier rejection of capitalism, you were phenomenally successful at it. What is it you enjoyed most about business?

Business reveals all sides of human nature, good and bad. You can see every trait from cooperativeness to competitiveness, jealousy and small-mindedness to long-term thinking. Human nature is not black or white.

4. You have reinvented yourself as a global political activist. Is this a return to your roots?

The short answer is yes. I regret that I came back to these issues so late, but I'm doing so with more experience, humility, and understanding of what's possible.

5. The aim of your political activism is to achieve better governance. Why do you think modern democracies have deteriorated?

Any system after a while becomes tired and needs to be revitalized. Technology and globalization, particularly as they affect labor practices, are making the traditional liberal democratic system of the West less functional. Eastern political systems need to adapt also, as their populations become wealthier and better informed.

6. The Berggruen Institute's organizations comprise leading academics, thought leaders, and former heads of government. How did you come to decide that this would be the most effective structure for achieving your goals? What progress has been made?

We brought together some of the brightest minds, with a lot of experience, including people who have been in power and now have more freedom to speak. We also looked for diversity, so we have a bipartisan group in California and, in Europe, representatives from all the key countries. They are working on long-term projects mostly having to do with tax and governance reform. We held a town hall meeting in Paris in May that presented a youth employment initiative for Europe that was drafted by the German and French labor ministries in conjunction with the Berggruen Institute. We've scheduled a similar meeting in Madrid for early 2014.

7. Your book, *Intelligent Governance for the 21st Century (Polity, 2012)*, suggests a middle way between Western and Eastern styles of governance. Broadly, what do you mean?

The Western way is populist: the most popular candidate wins. The Eastern is the opposite, it's competence-based: elected officials must have an enormous amount of experience and are thoroughly vetted in that respect. Both have disadvantages. We suggest a middle way: a populist system, where voters have the last word, balanced by a merit-based system. Perhaps you have one elected head of state and one non-elected official who can do long-term thinking. But democracies are very suspicious when power is delegated like that.

8. What are your fondest memories of your time at Stern?

To be young in the most exciting city in the world, with teachers and students who were open, engaging, and inclusive. It was a super-special time. ■



Employees First

By **Carolyn Ritter**

“**E**mbracing a culture of hospitality” isn’t just a mantra for Susan Reilly Salgado (PhD ’03), it’s the cornerstone of her growing business, Hospitality Quotient (HQ). As managing partner and founder of HQ, a consulting business that falls under the umbrella of Danny Meyer’s Union Square Hospitality Group (USHG) which manages several NYC restaurants including Union Square Cafe, Gramercy Tavern, Blue Smoke, and Shake Shack, Salgado is pursuing her passion and helping organizations to apply hospitality as a central strategy in taking care of employees and customers.

“I have always been fascinated with the idea that people can be a source of sustainable competitive advantage for a business, and wanted to understand how to create a work environment where employees can thrive,” explained Salgado. That fascination ultimately led to a doctoral research dissertation on USHG’s organizational culture, which Salgado pursued as a PhD student at NYU Stern.

It all started, Salgado recalled, with her “foodie” boyfriend, and now husband, Jason. Each weekend, the two would dine at the Union Square Cafe bar – what



“I wanted to understand how to create a work environment where employees can thrive.”

she remembers as a very communal experience, where the restaurant staff conversed regularly with diners, sharing their passion and knowledge of food and wine. “Danny Meyer was revolutionizing the employee and the customer experience in his restaurants, and I wanted to understand how he was doing it,” she said.

To her surprise and delight, Danny took a meeting: “He agreed to my proposal to research the organization’s culture on one condition – I had to work at one of his restaurants for six months.” From that meeting, Salgado began her stint at Union Square Cafe as a host and reservationist, getting what she called a “birds-eye

view” of the business operations. She went on to conduct two years of ethnographic research in the organization, shadowing each and every position at each of Meyer’s restaurants. After defending her research at School, Salgado shared her findings with Meyer.

Salgado had noted that all four of Meyer’s restaurants shared the same unique culture. As a result, she explained, “I started with a hypothesis that USHG’s current employees helped inculcate new restaurants with the company’s exceptional culture – one that puts employees first, followed by customers and community. But what I didn’t anticipate was how much Danny was a part of each of these businesses, so much so that if Danny wanted to grow the businesses, his impact would become diluted and the culture would suffer. He needed to build an infrastructure to support and transfer that culture to new businesses and maintain it in existing ones.”

After graduating in 2003, Salgado took a full-time position at USHG and focused on building an internal framework to methodically sustain the business’s organizational culture. “Five years later, I started feeling the itch: I wanted to expand the consulting practice to other industries.” To demonstrate the applicability, she took on two projects outside of the restaurant sector, in healthcare and government. Then in 2010, with several successes under her belt, Salgado launched HQ, which serves clients in a wide range of industries.

According to Salgado, what Meyer has been doing for 28 years is what Whole Foods Co-Founder John Mackey and co-author Raj Sisodia coined “conscious capitalism,” in their eponymous 2013 book – an idea that is top-of-mind for many organizations right now. “We get a lot of calls from companies that want to emulate



USHG’s business model but struggle with how to create and sustain an effective culture over time and geography, especially as they try to grow their companies,” she said.

So what does it take to create an effective culture? According to Salgado, an organization needs a clear mission, a commitment from the top to “live and breathe” the core values of the organization, and systems and structure to support the culture over time. She underscores that a “team first” mentality is key in making employees feel valued and respected, and ultimately paves the way for self-policing behaviors and effective work.

Today, HQ boasts an impressive roster of clients spanning several industries from healthcare and finance to entertainment and retail. That list includes Jujamcyn Theaters, which owns and operates five Broadway theaters; the Orthopedic Department at Beth Israel Hospital; North Shore Long Island Jewish Medical Center; and TopGolf, a sports entertainment company with 10 locations worldwide.

Despite taking a nontraditional route into the corporate world after earning her PhD, Salgado manages to keep a toe in education. Guest lecturing at NYU periodically, Salgado jumps at the chance to reach the next generation of business leaders. “We spend at least one third of our lives at work, so it’s critical that current and future leaders create conscious companies, where workers can thrive in the 21st century.”

For budding entrepreneurial students, Salgado also has a few words of advice: “Follow your passion, stay true to what you value, don’t be afraid to follow your gut and take risks, and surround yourself with people who share your vision and passion – employees and clients alike.” ■

A Local, Global Brand

By **Rika Nazem**

When asked to recall one of the best pieces of career advice she has received, Beth Hirschhorn (MBA '93) believes it is the notion that “a well-defined problem is 80 percent solved. If you ask the right questions, it is much easier to arrive at the best solutions,” she said.

As the Executive Vice President, Global Brand and Marketing, at MetLife, a leading global provider of insurance and employee benefit programs operating in more than 40 countries around the world, Hirschhorn is responsible for globalizing the MetLife brand. While most people are aware of MetLife as a US brand, 40 percent of the company's earnings are derived from outside of the US, and MetLife operates in a mix of mature and emerging markets. The first step in globalizing the brand “is to first identify what our customers around the world need, both what they have in common and how their needs diverge to deliver a powerful global brand promise,” she said.

In thinking about how to take a very well-known domestic brand global, Hirschhorn considered the company's differentiators. One of them is the ability to “enable and embolden,” she said. In an industry that has traditionally preached to consumers about the need and value of insurance, Hirschhorn chose to go in a bit of a different direction. “We wanted to emphasize MetLife's role in encouraging consumers to make smart



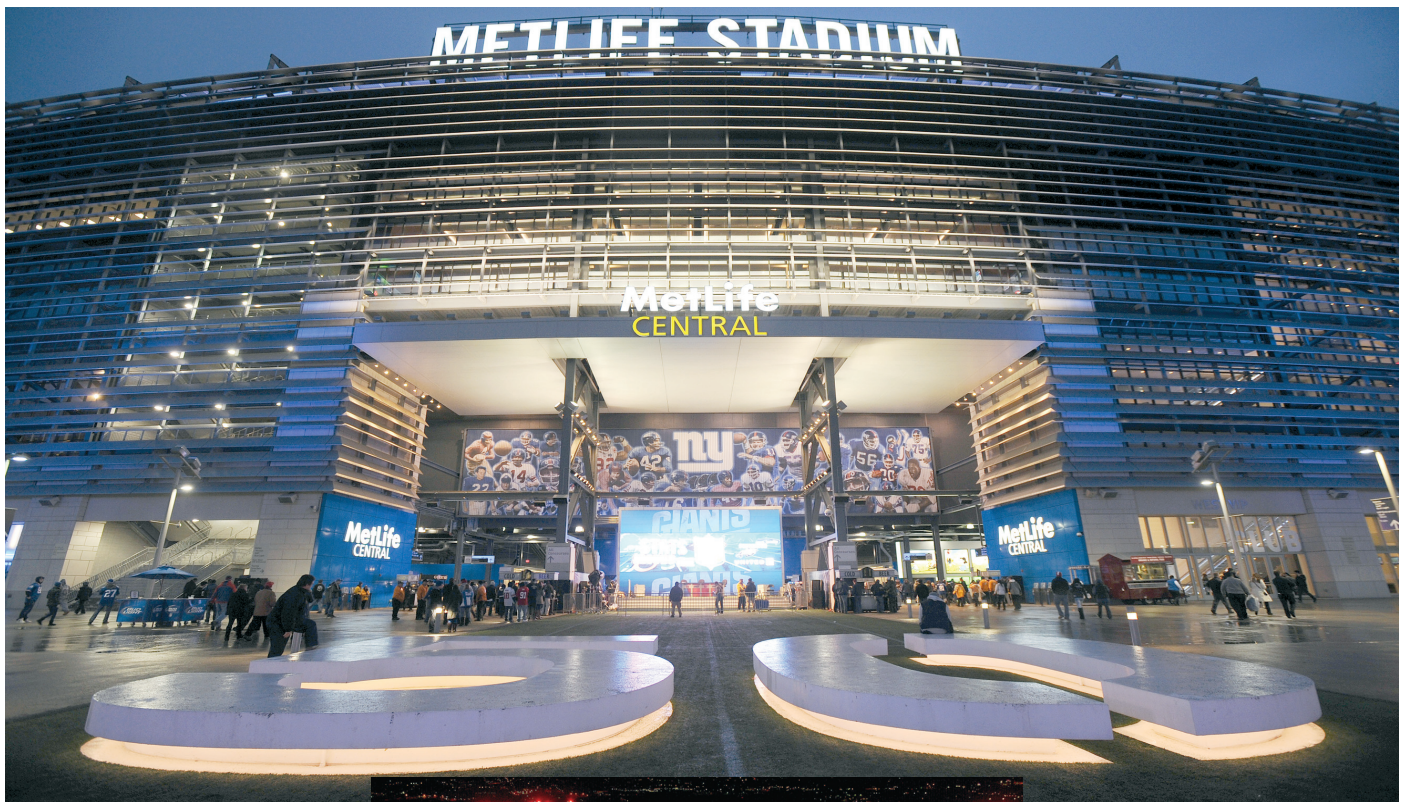
MetLife's Beth Hirschhorn (MBA '93), EVP of Global Brand and Marketing, brought the company's visibility to new heights after striking a deal to acquire the naming rights to the New York Giants and the New York Jets stadium in New Jersey.

financial decisions, and be inspired by what they can do to insure themselves and their families. We wanted to ‘enable and embolden’ our customers to achieve a greater degree of financial security.”

“Enable and embolden” resonates globally, she said. For instance in Japan, this idea of empowering translates into being a trusted navigator to help consumers weigh their options and choose the right product. Around the world, the aim is for the brand to embody functional and emotional aspects as well: to simplify products and processes to make it easier to make decisions and purchase, as well as to build

consumer confidence through long-term relationships. These elements, while seemingly simple, are atypical in the industry, she noted.

Believing that visibility is one key driver of the brand, Hirschhorn made the monumental deal to acquire the naming rights to the New York Giants and New York Jets stadium in New Jersey. Named MetLife Stadium, Hirschhorn explained that it was as much a real estate deal as it was a brand strategy – MetLife now has 40,000 square feet of activation space in the stadium to engage the more than two million people who attend events there every year. This value is in addition to exposure to the tens of millions of viewers watching and listening to football on the many forms of broadcast media. That reach is “shattering all records,”



she said. “In this fragmented media market, we had to get creative about how we reach people, in ways that are commensurate with the company’s size and stature,” she explained. With “two top NFL sports franchises in the largest financial services and media market in the world, not to mention thousands of MetLife employees,” MetLife is top of mind for many in the region.

Other ubiquitous symbols of the company include the Peanuts characters, such as Snoopy, and the MetLife blimp, which has become a key way that MetLife engages with consumers via social media in the US and Japan. Hirschhorn is quick to point out that while all of these touch points are the continuation of a marketing journey, it is one that does not necessarily have a start and an end. According to Hirschhorn, these



ties to traditional and new marketing efforts keep the company visible and provide a unique opportunity to engage with its target audiences.

Hirschhorn’s time at MetLife has made her one of the most influential Chief Marketing Officers, according to *Business Insider*. She credits her 15 years of experience at JP Morgan Chase, where she was responsible for developing and marketing a set of product lines in the consumer financial services area, for sparking her interest in marketing (and landing her on the *Crain’s* “40 Under 40” list). She also cited her Stern MBA experience, and in particular a strategy course, as a help in honing her professional interest.

Her personal interests include spending time with her two young children and engaging them in cooking, art, and sports. ■

Brave New World Two top thinkers from Google envision a fully digital future



From left to right: Professor Nouriel Roubini chats with Google's Jared Cohen and Eric Schmidt.

Currently executive chairman of Google, Eric Schmidt served as Google's chief executive officer from 2001 to 2011, overseeing the company's technical and business strategy alongside founders Sergey Brin and Larry Page. Prior to joining Google, Schmidt was the chairman and CEO of Novell and chief technology officer at Sun Microsystems Inc. He holds a BS in electrical engineering from Princeton University as well as a master's and PhD in computer science from the University of California, Berkeley.

Jared Cohen, director of Google Ideas, has conducted research throughout the Middle East and Africa. He is the author of *Children of Jihad* and *One Hundred Days of Silence*. He is also co-author with Eric Schmidt of "The Digital Disruption: Connectivity and the Diffusion of Power," which appeared in *Foreign Affairs*. In 2011, *Foreign Policy* listed him as one of the "Top 100 Global Thinkers." He currently serves as a member of the National Counterterrorism Center's Director's Advisory Board. Cohen received a BA from Stanford University and an MPhil in international relations from Oxford University, where he studied as a Rhodes Scholar.

Cohen and Schmidt recently co-authored *The New Digital Age: Reshaping the Future of People, Nations and Business* (Knopf, April 2013). They were interviewed on May 6, 2013, by Nouriel Roubini, NYU Stern professor of economics and international business.

Nouriel Roubini: *Given the fact that two billion people are already wired and connected, one of the arguments of the book concerns what will happen to our world when the next five billion are connected. What's going to be the wonderful, the good, the bad, but also the ugly?*

Eric Schmidt: When another five billion join, the impact on them in terms of medicine, healthcare, education, literacy, access, and markets is so much greater than the impact we'll see, because they're going from literally nothing to everything in one device. But we're quite concerned that governments will start to decide that they don't really want people to have this kind of information, especially authoritarian governments. We're very worried about the impact on privacy and security around the world.

Jared Cohen: We traveled to 30-plus countries for this book: North Korea, Myanmar and Afghanistan, Pakistan, Iraq, Libya, a month after Gaddafi was killed. A lot of these environments are violent and unstable, and the governance is autocratic. We learned a lot about what the future will look like by meeting the people who are not yet connected, and getting a sense from them about the Internet even though they've never used it; what things they fear every day and how a mobile device would change that.

NR: *Why do you think that the people are going to win, as opposed to the dictators? You could make an argument that actually we're only at the beginning of a state surveillance system that's going to become much more sophisticated.*

JC: Even in China, there are still 600 million people in rural areas, much more impoverished than the rest, who are not on the Internet. Every citizen who has a smart phone in the future will have more options than when the world was just physical. There will be an opportunity for more witnesses, more people to photograph things, more people to hold the regime to account. It doesn't mean the regime

won't still commit physical atrocities, but the era of autocrats being able to do bad things in a news blackout is essentially over.

ES: A perfect police state with complete surveillance would be difficult for technical reasons. People can evade it using cryptography; they can disable things. But the real reason is that there's an openness bias in the Internet, and except for North Korea where there is literally no interaction, that openness forces the police state to be more open than it would otherwise.

JC: There's a dictator's dilemma and a citizen's dilemma. The best way to understand the dictator's dilemma is to look at a place like Iran: there are 72 million people there. In the future, if everyone has multiple e-mail addresses, social networking profiles, and chatting services, the virtual population becomes more like

"Future revolutions will be easier to start and harder to finish. You're seeing that today in the Arab world."

— Eric Schmidt



Every seat was filled in Barr-Kawamura Commons on May 6 when Professor Nouriel Roubini interviewed Eric Schmidt and Jared Cohen of Google, co-authors of *The New Digital Age*. Dean Peter Henry introduced the trio as “extraordinary thinkers.”

half a billion. That’s a lot of activity and distraction for a regime that’s trying to figure out what’s real and what’s just noise. Where they overreact or underreact is where they make a mistake that eventually gets people into the streets. The dilemma for the connected citizenry is you can’t storm a ministry of the interior with a mobile device. Without real leaders and institutions, you can’t continue that revolution to a point where you actually achieve regime change.

ES: Future revolutions will be easier to start and harder to finish. You’re seeing that today in the Arab world.

NR: *Are we going to live in a world in which everything we do is going to be tracked, even in democratic societies where it’s decided that, for paternalistic reasons, some things have to be tracked for your own good?*

ES: This conversation has been had for centuries in every democratic country with the rule of law. They all came to a balance of privacy, individual rights, and states’ rights. In London, when you’re walking down the street you’re essentially on a television camera. However, the use of those video images is highly regulated and local to the police. If you want privacy you’re going to have to fight for it, because the logic of surveillance is such that it creeps in. But I do believe every democracy will have this debate and make an appropriate decision.

NR: *There is a broader issue about cyber warfare. Where is it going to go? How can we control it?*

JC: There are a lot of conversations about what the cyber community calls a cyber Pearl Harbor, where the cyber attack is used to make it easier to conduct a physical attack. We should be nervous about the coordination between cyber and physical attacks, and also about cyber criminals and traditional violent extremists teaming up.

ES: I think the mission-critical systems are going to be pretty much fire-walled from the public Internet.

JC: We’re optimistic, because in the future it’s going to be impossible for terrorists to operate in the caves of Tora Bora and still be relevant. When all these young people who are prone to mistakes are connected, the room for error becomes in-

creasingly significant. Any mistake they or their friends make runs the risk of a whole plot unraveling.

ES: Systematic evil is very hard to keep secret now.

NR: *There is a lot of talk online about crowdsourcing and the wisdom of the masses. There is also sometimes the madness of the masses – we’ve seen it in financial markets: manias, panics, bubble, bust. In a world where everything is hyper-connected, rumors can spread.*

ES: A false rumor can spread fast, but its correction can spread even faster. Everything is speeded up. Andy Warhol said you’d be famous for 15 minutes; now you’ll be famous for 15 seconds.

“We should be nervous about the coordination between cyber and physical attacks, and also about cyber criminals and traditional violent extremists teaming up.”

— Jared Cohen

NR: *Or for a lifetime, if nothing is deleted. Regarding technology and business, when everything is customized, will corporations manipulate your behavior to their advantage, not yours? And if you can price-discriminate on an individual basis, we could have a different online price for every good and service. What are the implications of this?*

ES: The reason you don’t see supermarkets pricing that way is because there’s another supermarket that would price flat as opposed to a linearly increasing price based on your wealth. So the limit to that vision is competition and regulation, which is clearly going to become greater.

NR: *Technological innovation implies that you can produce more goods with fewer workers. Where are we going to create jobs?*

ES: The only answer I come up with is education. Think of it as a race between creativity and automation. Creativity needs to win. Creativity is how new jobs and industries are created. Ultimately the countries facing this will have to figure out a way to get more flexible labor markets, more immigration, better education, higher standards of living through that mechanism – not anything different than you’ve heard over the last 10, 20, 30 years. It’s just more intense now. ■

Watch the entire event at www.stern.nyu.edu/sternbiz/google2013.

PROSPECTUS

New Faculty at Stern

In fall 2013, NYU Stern welcomed 12 new tenured and tenure-track faculty members and two new clinical professors. **Michael Posner**, former assistant secretary of state for the Bureau of Democracy, Human Rights, and Labor at the US State Department, joined NYU Stern in 2013 as professor of business and society. He is establishing the first Center for Business and Human Rights at a business school. **Edward Glickman**, former president and COO of the Pennsylvania Real Estate Investment Trust (PREIT), is serving as executive director of the Center for Real Estate Finance Research and clinical professor of finance. **Yuxin Chen** is the Wenliang Wang Distinguished Global Professor of Business at NYU Shanghai, with an affiliation with NYU Stern's marketing department.

Beth Bechky joined Stern's management and organizations department as professor of management and organizations. Her primary research interest is the micro-sociology of work, in particular the interactions and dynamics at organizational and occupational boundaries. Prior to joining Stern, Bechky held professorial positions at The Wharton School at the University of Pennsylvania and the Graduate School of Management at the University of California, Davis. Assistant Professor **Lisa Leslie** joined the department after spending six years as an assistant professor at the University of Minnesota's Carlson School of Management. Her research focuses on strategies for facilitating social justice and strong performance in diverse organizations, as well as related areas of cross-cultural organizational behavior and conflict management. **Rebecca Schaumberg** is an assistant professor of management and organizations, focusing her research on



Beth Bechky

the individual and intergroup characteristics that promote and impede people's leadership success. She earned a PhD in business administration from Stanford University.

Three new professors joined the accounting department. Associate Professor **Ilan Guttman**'s research focuses on economics of information, capital markets, voluntary and mandatory disclosure, earnings management, financial analysts, and dividend policy. He was previously an assistant professor of accounting at Stanford University. Assistant Professor **Christine Cuny** earned her PhD in accounting from the University of Chicago Booth School of Business. Her research is focused on voluntary disclosure incentives. Assistant Professor **Hao Xue**'s research applies fully rational, economics-based models to observed accounting practices and institutions that conventional thinking and existing theories have difficulty explaining. He received a PhD in accounting from the Tepper School of Business at Carnegie Mellon University.

The finance department welcomed three new assistant professors. **Theresa Kuchler** earned a PhD in economics from Stanford University. Her research interests lie in how consumers and firms make decisions in financial and related matters, incorporating insights from behavioral economics. **Andres Liberman**'s research focuses on financial intermediation, household finance, and corporate finance. He received a PhD in finance from Columbia University. **Johannes Stroebel** conducts research in finance, macroeconomics, and real estate economics. He earned a PhD in economics at Stanford University.

Assistant Professor **John Horton** joined the information, operations, and management sciences department, having earned his PhD from Harvard. His academic research focuses on issues in labor economics, organizational economics, and market design, in the context of online labor markets. The economics department welcomed Assistant Professor **Vaidyanathan ("Venky") Venkateswaran**, whose research focuses on the role of information in macroeconomics. He earned a PhD in economics from the University of California, Los Angeles.

research roundup



Panagiotis Ipeirotis



Bryan Bollinger

Panagiotis Ipeirotis, associate Information, Operations, and Management Sciences (IOMS) professor and George A. Kellner Faculty Fellow, and two fellow researchers received a \$1.5 million Google grant to develop a program to improve searching

and identification of visual media.

Assistant Marketing Professor **Bryan Bollinger** and partners received a \$2 million grant from the Department of Energy SEEDS program to support solar energy development.

Assistant Finance Professor **Philipp Schnabl**'s "The International Transmission of Bank Liquidity Shocks: Evidence from an



Philipp Schnabl

Emerging Market," about the international transmission of credit supply shocks, won The Brattle Group Prize for the best paper in corporate finance in *The Journal of Finance* last year.

Gino Cattani, associate professor of management and organizations, and co-authors received the 2012 Richard R. Nelson Award for "Technological Pre-Adaptation, Speciation, and Emergence of New Technologies: How

Corning Invented and Developed Fiber Optics," published in *Industrial and Corporate Change*.

Belén Villalonga, associate professor of management and organizations, received second prize among the 2010-2012 Pearson Prizes for the best papers published in *Financial Management* for her co-authored paper, "Family Control of Firms and Industries."



Belén Villalonga

shorttakes

Management and Organizations Professor and Mary Jacoby Faculty Fellow **Melissa Schilling** was appointed to the National Academy of Sciences Committee on Overcoming Barriers to Electric Vehicle Deployment. Her co-authored paper, "Interfirm Collaboration Networks: The Impact of Large-Scale Network Structure on Firm Innovation," received the 2007 Best Paper for Management Science and Organization Science Award at the 2012 INFORMS Conference.



Melissa Schilling

Lawrence White, Robert Kavesh Professor of Economics and economics department deputy chair, testified in March at a US House of Representatives hearing on failed government housing policy. In June, White testified before the House, recommending steps to reduce government involvement in housing finance.



Lawrence White

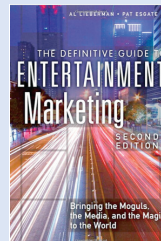
In June, **Luke Williams**, executive director of the Berkley Center for Entrepreneurship and Innovation and clinical associate professor of marketing and entrepreneurship, joined a United Nations panel on education focusing on Israel's resolution on "Entrepreneurship for Development" and also spoke at the 2013 World Innovation Forum in New York.



Luke Williams

Management Practice Professor and Executive Director of the Entertainment,

Media, and Technology Program **AI Lieberman** updated his classic guide on the entertainment industry, *The Definitive Guide to Entertainment Marketing*, published in July by the FT Press.



Anindya Ghose, IOMS professor, professor of marketing, and co-director of the Center for Business Analytics, participated in a panel at *The Economist Information Forum* in June.



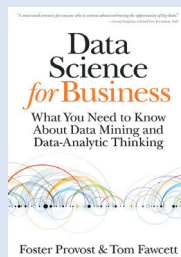
Anindya Ghose

Finance and International Business Professor **Richard Levich**, finance department deputy chair, examined the history, practice, and rationale of currency investing in *A New Look at Currency Investing* (Research Foundation of CFA Institute, January 2013).

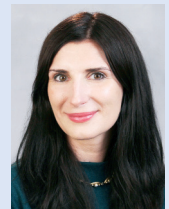


Richard Levich

NEC Faculty Fellow and Professor of IOMS **Foster Provost's** new book, *Data Science for Business*, co-authored with Tom Fawcett, was published by O'Reilly Media in August.



The Savvy Student's Guide to Online Learning, co-authored by IOMS Clinical Assistant Professor **Kristen Sosulski**, director of the Center for Innovation in Teaching and Learning, was released in June by Routledge.

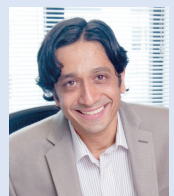


Kristen Sosulski

Toyota Motor Corporation Term Professor of Statistics **Jeffrey Simonoff's** book, *Handbook for Regression Analysis*, was published in December 2012 by Wiley.

NEC Faculty Fellow and Professor of IOMS **Arun Sundararajan** spoke at the US Conference of Mayors' 81st Annual Meeting in June about the economic and urban benefits of collaborative consumption and the sharing economy, in support of the successful "Shareable Cities" resolution.

Jonathan Haidt, Thomas Cooley Professor of Ethical Leadership, was named a *Prospect Magazine* World Thinker of 2013. Haidt delivered a talk at the TEDx MidAtlantic event in Washington, DC, in October 2012.



Arun Sundararajan



Jonathan Haidt

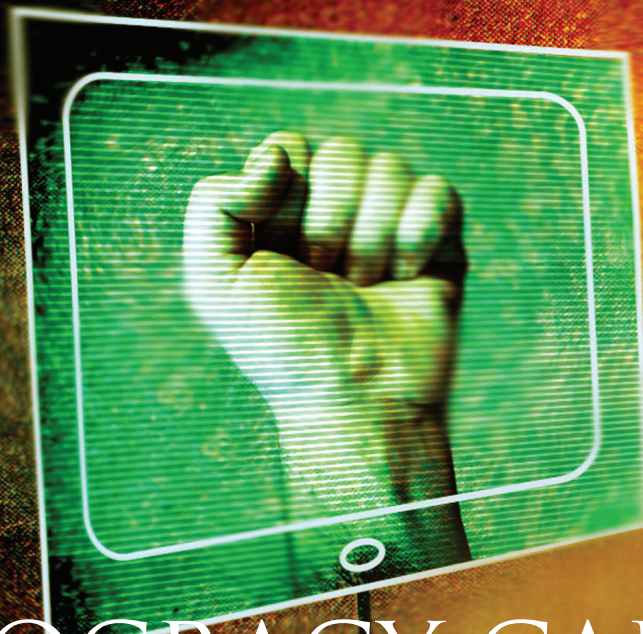


POLITICALLY CONNECTED

STERN PROFESSORS INVESTIGATE DIGITAL
COMMUNICATIONS AND DEMOCRACY,
CONSUMER BEHAVIOR AND IDEOLOGY,
AND THE RAMIFICATIONS OF LEGAL
IMMUNITY FOR DEMOCRATIC NATIONS

By **Marilyn Harris**

Politics is the thread running through the three recent faculty research articles described in the following pages. In the first, Stern Professor of Information, Operations, and Management Sciences Arun Sundararajan questioned whether it is true, as pundits would have it, that digital technology – in the form of social media, the Internet, mobile communications, and so forth – is leading to the emergence of democracy in formerly repressive regimes. In the second, Stern Marketing Professor Vishal Singh investigated whether the mundane products people buy at the supermarket reflect their political ideology. Finally, Stern Economics Professor Vasiliki Skreta explored the effect of immunity on politicians, whether honest or corrupt, in researching how governance fares when societies choose to place their politicians above the law.



DEMOCRACY CALLING

HOW MOBILE TECHNOLOGIES COULD LIBERATE THE MULTITUDES

Since 2011, much has been made of the role played by the Internet and social media in the political upheaval that began to ripple that year across the countries of Northern Africa. “Twitter revolution” and “Facebook revolution” have become memes, and it had been commonly and, perhaps, carelessly assumed that democracy would arrive in these locales with the speed of an instant message – which hasn’t happened. NYU Stern Professor Arun Sundararajan, along with Stern doctoral student Lauren Rhue, took a hard look at this assumption in recent research and asked a bigger question: could digital access in any or all of its forms help spread democracy, and if so, how?

In their paper, “Digital Access, Political Networks and the Diffusion of

Democracy,” Sundararajan and Rhue examine how digital access affected both the prevalence of democracy and its spread, via trade, geographical, migration, and foreign direct investment networks. They studied data collected on 189 countries between 2000 and 2010 in order to determine whether and how digital access affects particular measures typically associated with democracies – political rights, civil liberties, and media freedom – changes that could set societies along the road to democratic institutions. The authors deliberated about whether access to information and a means for coordination – specifically linked to mobile communication rather than social media per se – were the only digital catalysts for democratic change, or whether there were others, previously overlooked.

The variables were many. Sundararajan and Rhue selected key elements associated with democracy for inclusion in their study: political rights, civil liberties, and media freedom, both for target countries and their neighbors. They focused on three forms of digital access: Internet, broadband, and mobile. Additional data included annual measures of trade flows, foreign direct investment, political institutions, and economic development.

The promise of visibility

Moving beyond the widely discussed effects of information access and political coordination, the study determined that the transparency and external visibility induced by digital technologies, especially mobile technologies, are crucial (and often overlooked) determinants of

democratization. And when a country has more democratic partners making direct investments, it is more “susceptible” to this kind of democratic change, perhaps because when its lack of civil liberties are exposed by pictures taken on mobile phones flooding the Internet, these influential partners step in to exert the pressure necessary to induce lasting change.

However, the nuances were numerous. For instance, while a government might be elected in a quasi-democratic process, that doesn’t automatically guarantee that it will govern in that fashion, the authors pointed out. The case in point would be Egypt, where the forced resignation of President Hosni Mubarak and subsequent election and then overthrow of Mohamed Morsi has not led to a notably democratic or even orderly style of government.

Moreover, the openness of online communication can cut two ways: as easily as citizens might be able to communicate with each other over a social network, a curious government could just as easily eavesdrop on them and build up dossiers on individuals. “Ironically,” the authors wrote, “the trend of digital convergence over the last decade may exacerbate the use of the Internet as a technology of control....” In that case, civil liberties would suffer, and in some instances, the authors found, they have indeed declined.

After controlling for multiple variables, Sundararajan and Rhue stated that, while digital access can affect freedom in various ways, “the most interesting finding” was that mobile access, specifically, had a strong positive effect on civil liberties in the 2000 to

2010 time period. Rather than transmitting new information about a government and its functioning or creating greater parliamentary or ideological transparency, mobile technology “facilitates the ‘common knowledge’ that is necessary to counter pluralistic ignorance and lead to collective action.”

The authors concluded on a cautionary note that the impact of digital access on freedom and its diffusion is still in its infancy: “The longer-run effect of a digitally connected world on basic civil liberties and political rights will unfold over the coming decades.”

ARUN SUNDARARAJAN is a professor of information, operations, and management sciences (IOMS) at NYU Stern. LAUREN RHUE is a doctoral student in the IOMS department at NYU Stern.

YOU EAT WHAT YOU ARE

WHAT YOU BUY AT THE SUPERMARKET MAY JUST REFLECT THE REAL YOU

Profilng may be controversial when it comes to law enforcement today but it is the bread and butter of brand marketers. Now Vishal Singh, an NYU Stern marketing professor, has further refined the science of predicting who will buy what by tying ideology and religiosity to brand preferences. It is, Singh believes, the first evidence of such a relationship.

The research behind this advance in profiling is described in “Ideology and Brand Consumption,” by Singh and co-authors Ro-



mana Khan and Kanishka Misra, professors at Özyeğin University and University of Michigan, respectively. The authors began their exploration by questioning whether the brands people buy in a supermarket – their mundane, daily choices – reflect aspects of their personal values and ideologies. More particularly, the authors wondered whether traits associated with a conservative ideology, as measured by voting behavior and degree of religiosity, are linked to a tendency to buy nationally established brands versus their generic substitutes or newly launched products.

Consumers often select products based on status or how the purchase might signal some aspect of their personality, especially high-visibility acquisitions such as cars or designer pocketbooks. Singh decided to study mundane products in particular because he figured their purchase would be less a matter of conscious self-expression and more a function of a person's implicit, deep-rooted ideology, values, and personality traits. People don't generally select items such as yogurt, detergent, or breakfast cereal for show.

Wheaties or Brand X?

To understand buying patterns for these utilitarian products, the authors drew on a comprehensive scanner database that tracks weekly store sales of thousands of products organized into 26 product categories, including edible and non-edible products. The information was obtained from 1,860 stores belonging to 135 supermarket chains in the US over the six-year period from 2001 to 2006. The data collectively represented 416 counties and 47 percent of the total US population and covered national brands and generic

alternatives plus 4,151 new-product launches across the 26 categories. From these numbers, the authors created two measures of brand consumption at the county level: market share of generics in each category and market share of new products in each category in the year after launch.

Next, the authors analyzed various sociological and political databases that contained self-reported measures of ideology from extremely liberal to extremely conservative, plus political party affiliation. Similarly, religiosity was measured in self-reported frequency of attendance at religious services and significance of religion in one's life. According to Singh, "The correlations suggest that both Republican voting and religiosity capture aspects of conservative values, independent of each other." The authors double-checked their findings with county-level data on religious activity. Political affiliation was tracked via county-level votes over seven presidential election cycles. Census data on such variables as age and employment completed the picture.

The authors then analyzed all the various data to understand how a per-

son's conservative ideology and religiosity might affect their buying habits. The results strongly supported the initial hypothesis: People who were conservative by nature, as expressed in their religiosity – across denominations – and Republican voting patterns tended to stick with established brands and eschew generics and new-product releases. "These tendencies," Singh said, "are consistent with traits typically associated with conservatism, such as aversion to risk, skepticism about new experiences, and a general preference for tradition, convention, and the status quo." So, while profiling may remain controversial in the area of law enforcement, consumer marketers have a new set of metrics to consider when rolling out new products or Brand X alternatives.

VISHAL SINGH is an associate professor of marketing at NYU Stern. ROMANA KHAN is a visiting assistant professor of marketing in the Graduate School of Business at Özyeğin University in Istanbul. KANISHKA MISRA is an assistant professor of marketing at the Stephen M. Ross School of Business at the University of Michigan.

HIDING IN PLAIN SIGHT

IMMUNITY PROTECTS HONEST POLITICIANS BUT PROVIDES COVER FOR CORRUPT ONES

Dishonest politicians are a dime a dozen on television, and, it can seem, in real life. But while they are undoubtedly the bane of effective government, most democratic societies have seen fit to establish legal provisions aimed at preventing their arrest and prosecution – that is,

immunity. Stern Assistant Professor of Economics Vasiliki Skreta wondered how governance fares when societies choose to place their politicians above the law. Her findings, besides confirming that people may behave badly when they can get away with it, emphasized the importance of a nation's judicial branch as a key factor in the

governance equation.

In "Immunity," a paper co-authored with Moritz Schularick, of the University of Bonn, and Karthik Reddy, a Harvard Law School student, Skreta investigated the relationship between immunity and corruption by creating both a theoretical model via game theory and a complex empirical system

that accounted for nearly a score of variables.

In the theoretical model, a politician could leverage his immunity as a tool to secure re-election. In the model, a politician succumbed to interest-group pressure and exploited his immunity by engaging in illegal behavior that rewarded those groups, which, in turn, served to secure his re-election. At the same time, immunity protected politicians from being framed. Variables such as the strength of a country's legal system were introduced.

The authors also studied and categorized immunity across the globe. Recognizing that immunity provisions may apply to legislators, ministers, and/or heads of state, they coded the level of immunity protection in 72 democracies by consulting written constitutions, founding documents, legislative acts, case law, statutes, and legislative rules of procedure. They considered the procedures required to lift immunity, which can be more or less burdensome; the duration of immunity protection, which can extend beyond the term of office; and the scope of activities covered and the prosecutorial action prohibited by immunity. The resulting "immunity score" represented the strength of the immunity regime in a country and measured the relative difficulty of bringing a corrupt politician to justice.

Among other revelations, the authors found that different democratic countries handled immunity with wide variations. In the UK, for instance, there is little immunity protection for politicians, who can be criminally pros-

ecuted with no procedural obstacles. In contrast, in Paraguay the arrest or prosecution of a legislator requires the authorization of two thirds of his fellow legislators. Paraguayan ministers or the president enjoy even greater protection: in order to be prosecuted, they must first be impeached by a two thirds vote of the lower house of the legislature and then the senate. Most democracies, however, including France, fall somewhere between the UK and Paraguay.

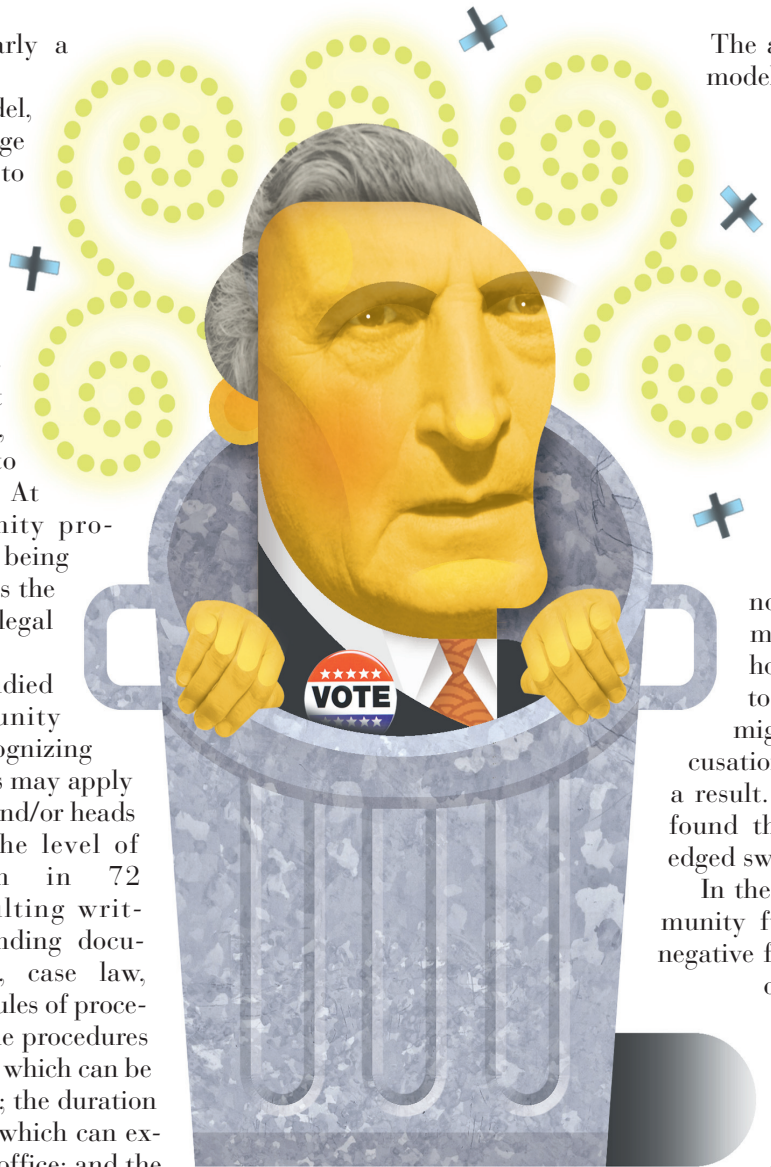
The authors found both in their model and their empirical investigation that while immunity may allow bribes and other forms of corruption to go unpunished, particularly strong immunity protection produced even greater deleterious effects by ultimately reducing accountability and encouraging more dishonest people to run for public office.

A shield and a cover

The upside, however, they noted, was that immunity measures could also protect honest politicians who refused to cater to interest groups and might be subjected to false accusations and smear campaigns as a result. In short, Skreta said, "We found that immunity is a double-edged sword."

In the authors' view, whether immunity functioned as a positive or negative force in a particular country depended on the quality of that nation's judicial branch. In a country with a weak legal system, immunity functioned as a shield for honest politicians. Where the legal system was strong and independent, the immunity shield became a wall that dishonest officeholders could hide behind. Skreta concluded, "Our study confirms that institutions matter and can play a pivotal role in the economic prosperity of a nation."

VASILIKI SKRETA is an assistant professor of economics at NYU Stern. MORITZ SCHULARICK is a professor of economics at the University of Bonn. KARTHIK REDDY is a JD candidate at Harvard Law School.





MS in Risk Management Students See a More Resilient Future for Brazil

By **Anna Christensen**

“Brazil has experienced many ups and downs in its economic history,” noted Rodrigo Figueroa, a student in NYU Stern’s MS in Risk Management (MSRM) program. “Our team wanted to examine the data rigorously to determine the country’s resiliency to shocks.” A key component of the MSRM program is the strategic capstone project. Students tie together the substantive content and practical case work taught throughout the year in a concrete risk analysis presented at the culmination of the program. Figueroa was a member of a capstone team seeking to determine Brazil’s capacity to service its external debt in the event of changes in the global economic environment. He worked with teammates Caio Banti, Angelica Sakurada, Enrico Sanches, Ignacio Saralegui, and Daniel Vieira, all of whom have ties to Brazil.

As outlined by Banti, Brazil has defaulted five times in its history, twice in the 20th century. The country appeared to be on an upward trajectory during a period of debt-fueled economic growth in the 1970s but suffered a severe financial crisis after the second oil shock in 1979, leading to the country’s most recent default, in 1983, and a “lost decade” of hyperinflation and successive crises. The students wanted to determine if the country was destined for a similar fate again or if the economic trajectory was more stable this time.

“We were able to pull a great deal of data from the IMF, World Bank, and Central Bank of Brazil to use in our risk analysis,” reported Saralegui. The team also drew from Stern’s resources. “Our project mentor and advisor, Professor Thomas Pugel, challenged us to get the right data and identify key risk indicators, and Professor Ingo Walter taught a framework in his class that was exactly what we needed to structure our project,” recalled Figueroa. “Once we had our data, we used a scenario analysis technique to test how Brazil would fare in a wide variety of economic situations.”

The students’ comprehensive research indicated that Brazil is “significantly more resilient” than in the past, and therefore equipped to sustain sizeable external shocks without falling back into default within the next



MS in Risk Management program capstone project team members (left to right): Ignacio Saralegui, Daniel Vieira, Angelica Sakurada, Caio Banti, Rodrigo Figueroa, and Enrico Sanches

five years. Figueroa noted, “We wanted to have something useful and tangible for anyone with investments or interest in investments in Brazil.” So far, the students have seen initial interest in the report from several parties. Vieira said, “We recently spoke to the CEO of a global risk management services firm, and he was very interested in our report because he gets these specific questions from investors.”

According to Saralegui, “The capstone project’s greatest value is that it allowed us to apply what we learned in class to something that was functional in the real world.” Another aspect of the project that was particularly rewarding for the team was the optimistic analysis: “As a Brazilian, I was delighted to reach a positive conclusion with so much certainty,” said Vieira. Sakurada added: “Most of us in the group grew up in a time that was very tough economically in Brazil. It’s great that we can see through our analysis how much more resilient the external accounts are doing now.” ■

With Research for All By Erin K. Potter

“Nothing beats the intellectual development that comes from working your way around a research problem,” said Dean of the NYU Stern Undergraduate College Geeta Menon. This was the impetus behind the Stern Program for Undergraduate Research (SPUR), a priority initiative that supports Stern undergraduates’ active participation in research with Stern faculty and reflects the Undergraduate College’s ongoing commitment to academic excellence.

Comprising three distinct credit bearing opportunities – the Honors Program, the Research Database, and Research Seminars – SPUR provides students with new intellectual outlets and develops their critical thinking skills. “The skills learned through reading, evaluating, and disseminating research pay off no matter what goals a student has for his or her academic or career path,” explained Menon. SPUR Honors Program founder and Charles E. Merrill Professor of Finance Marti Subrahmanyam agreed: “The program provides the best students at Stern the opportunity to explore interesting issues in business and economics in depth. Students have used this privilege to discover how to conduct research while coming up with their theses, which gives them a sense of accomplishment when they graduate. It was very satisfying to hear from our alumni at the reunion last May about the fond memories they had about the program and its impact on their subsequent careers, in academia, business, and law, among others.” Launched in 2001, the Honors Program is the longest-running SPUR opportunity, and participation is considered a top honor for seniors.

Akash Nandi (BS ’13) was one of 26 seniors to participate in last year’s Honors Program. His thesis, “Tesla: Supercharging the Future,” conducted under the guidance of Clinical Associate Professor of Economics Joseph Foudy, analyzed how a single transformational technology can have a ripple effect that extends beyond its own industry to reshape entire infrastructures, economies, and nations. Nandi reflected on his year-long exploration of electric car technology and recalled: “I went to work in investment banking after graduation. The research experience taught me how to synthesize discrete pieces of information. It trained me to approach



NYU Stern Undergraduate College Dean Geeta Menon (front center right) and Finance Professor and Stern Program for Undergraduate Research (SPUR) Honors Program founder Marti Subrahmanyam (front center left) celebrate with undergraduate students and alumni at the first annual Honors Program Reunion.

issues from multiple perspectives and to use those vantage points to develop more original ideas. It is something I will always draw from.”

Stern undergrads also enjoyed one-on-one research experiences with Stern faculty by applying for projects posted on the new SPUR Database, which attracted more than 400 student applications for 50 faculty projects in its first three active semesters. Timothy Mok (BS ’13) applied for one of the first SPUR Database projects working with Associate Professor of Finance Jennifer Carpenter to research China’s evolving financial system. He said the project “was a wonderful experience. Professor Carpenter was extremely dedicated and really encouraging throughout the whole process.” Mok also participated in the SPUR Honors Program during his senior year and went on to be accepted into the PhD program in economics at Stanford University. He credited SPUR: “The research experiences at Stern helped cultivate my interest in the area of economics and, more generally, in pursuing a career in research.”

Research hasn’t been synonymous with undergraduate business education, but through the Stern Program for Undergraduate Research students have exercised critical thinking and analytical skills and even developed lifelong passions. Said Menon: “After decades of mentoring PhD students, I knew firsthand the impact that one-on-one teaching during a faculty-student research project can have on the intellectual development of a student, so I was thrilled that Stern students and faculty embraced the program. That made the effort a success.” ■

ALUMNI RELATIONS Alumni News & Events

HASKINS GIVING SOCIETY

HASKINS AWARD DINNER AND COCKTAIL RECEPTION



Members of the NYU Stern Haskins Giving Society gathered in April 2013 at two special events, the Haskins Award Dinner and Haskins Cocktail Reception. At this year's dinner, Dr. Clifton R. Wharton, Jr., was presented with the 2013 Charles Waldo Haskins Award, given in honor of Stern's founding dean for outstanding achievement in business and public service. At the cocktail reception, members of the Young Haskins Associates networked with each other and notable business leaders, including event speaker Michael L. Achenbaum (JD/MBA '98), Founder and President of the Gansevoort Hotel Group.



Haskins Award Dinner

1. Dr. Clifton R. Wharton, Jr., 2013 Haskins Award recipient, addressed dinner attendees.
2. (from left to right) Peter Henry, Dean; Dr. Clifton R. Wharton, Jr., 2013 Haskins Award recipient; William R. Berkley (BS '66), Vice Chairman of the NYU Trustees and Chairman of the NYU Stern Board of Overseers; and Martin Lipton (LAW '55), Chairman of the NYU Trustees
3. Diana Awed (MBA '06) and Keshava Dasarathy (MBA '06)
4. (from left to right) Peter De Nicola (BS '76, MBA '79); Colleen Morgenier (Steinhardt '79); Shirley Onacilla (BS '74, MBA '75); and Steven Wolitzer (BS '73), NYU Stern Executive Board
5. Howard Wiesenfeld (MBA '85) and Batia Mishan Wiesenfeld, Professor of Management



Haskins Cocktail Reception

6. (from left to right) Michael L. Achenbaum (JD/MBA '98), speaker; Peter Henry, Dean; and Geeta Menon, Dean of the Undergraduate College
7. Members of the undergraduate class of 2012
8. Michael L. Achenbaum (JD/MBA '98) speaks with fellow alumni following his address.
9. Alumni, including Stern Alumni Council members Todd Fellerman (MBA '09) and Kris Ann Brady (MBA '10), enjoyed Michael L. Achenbaum's remarks.
10. Members of the undergraduate class of 2010
11. Eunjae So (BS '14) and Geeta Menon, Dean of the Undergraduate College
12. Members of the undergraduate class of 2011



Joan Barry McCormick Leads NYU Stern Development and Alumni Relations Team

In April 2013, NYU Stern welcomed Joan Barry McCormick to serve as its new Associate Dean for Alumni and Development. McCormick brings 24 years of fundraising experience in higher education and healthcare to Stern, including experience spearheading capital campaigns ranging from \$5 million to \$1 billion. She was most recently President of Joan McCormick Fundraising LLC, where she created a major gift program at the National Kidney Foundation.



Before venturing out on her own, McCormick was Vice President for Special Initiatives at Saint Peter's Healthcare System. In this role, she instituted an annual fund appeal and created a "grateful patient program"

which led to an increase in the size of the healthcare system's donor base. In addition, McCormick helped to identify, qualify, cultivate, solicit, and steward individuals capable of making major investments. She also secured new corporate and foundation funding sources.

In 2005, she was named Director of Principal Gifts for Rutgers University after serving in multiple posts at the university including the Director of Development for Cook College, a professional school specializing in environmental and biological sciences. She began her career in the development office at the South Street Seaport Museum.

McCormick holds a Bachelor of Arts in Journalism/Mass Media from Rutgers University, a Master in Public Administration from Kean University, and a Mini MBA in Strategic Healthcare Management from Rutgers. She serves on several boards, including the Intersect Fund, the American Repertory Ballet, and the Child Development Center at the Francis E. Parker Memorial Home.

Alumni Reconnect at Reunion 2013

Hundreds of Stern alumni returned to campus on October 5, 2013, to celebrate their shared Stern experience. Now an annual event for the third year in a row, the quinquennial reunion tradition honored the classes of "3" and "8," and the day's events provided an opportunity for reconnecting and reminiscing with friends, fellow business leaders, and esteemed Stern faculty. The festivities continued into the evening with all 10 classes and 50 years of graduates enjoying an evening of dinner and dancing at the Waldorf Astoria.



Save the Date: Alumni Holiday Celebration

Join your fellow alumni on **Thursday, December 12, 2013**, at **The Morgan Library & Museum** in New York City for NYU Stern's annual Alumni Holiday Celebration.

For more information, visit www.sternalumni.nyu.edu/events.

Mark Your Calendars! Saturday, October 18, 2014

Attention, classes of "4" and "9": In the Fall of 2014, Stern will honor alumni from the quinquennial reunion classes of 2009, 2004, 1999, 1994, 1989, 1984, 1979, 1974, 1969, 1964, and more. For more information on how to join your Reunion Committee or to make a gift in honor of your class, visit the Reunion 2014 website at www.sternalumni.nyu.edu/reunion2014.

Oh Baby, Show Us Your Stern Spirit!



Nicholas Seo,
son of Veronica (Hsia) Seo
(MBA '06) and husband Steve



Skyler Weisenfeld,
daughter of Amanda Plotkin
(MBA '05) and husband
Daniel Weisenfeld (MBA '06)



Ari Stolman,
son of Kenneth Stolman
(MBA '07) and wife Shelley

Show us your Stern spirit. Send your photo to alumni@stern.nyu.edu for a chance to be published in an upcoming issue of the alumni magazine.

1900 Society

Plan a Lasting Legacy at Your Alma Mater

The 1900 Society was established to recognize the many alumni and friends who have provided for NYU Stern's future by naming the School in their will.

Since its founding in 1900, Stern has engendered a spirit of collaboration unparalleled in business education, one that supports and encourages its youngest members – our students – to achieve and to become the next generation of leaders. Members of the 1900 Society enable Stern to continue its commitment to preparing some of the world's best and brightest stu-

dents for a future that, in our ever-changing business climate, will not resemble the past.

1900 Society members may designate their gift to a number of exciting initiatives, including scholarships, faculty chairs, centers, and the Stern Fund. Their generosity will be recognized in our annual Dean's Report.

If you have any questions, please contact Craig Eozzo, Associate Director, Major Gifts, at (212) 998-0681 or ceozzo@stern.nyu.edu.

Celebrating the Gift of Education

More than 200 scholarship donors and recipients gathered on February 25, 2013, to celebrate the generosity and accomplishments that bind them together at the second annual NYU Stern Scholarship Reception. The event served as an opportunity to recognize the generosity of the donors, who have provided the gift of education to deserving and exceptional students, as well as a firsthand look at how their contributions have made a positive impact on the students' lives and education.

Highlights from the evening included messages from Peter Henry, Dean, and Geeta Menon, Dean of the Undergraduate College, followed by Yuki Oshima and Edward Barr (BS '57), who delivered heartfelt remarks from the perspective of scholarship benefactors. Guests also heard from two scholarship recipients, Elizabeth Neary (MBA '14) and Kimberly Lopes (BS '14), who spoke eloquently about the power these awards have had in helping them pursue their dreams of becoming future business leaders.



(from left to right) Yuki Oshima, MBA Scholarship Donor, Kenshin Oshima Scholarship; Phillip Hacker (MBA '13), Ken Oshima Scholarship and William R. Salomon Scholarship Recipient; Kevin Staight (MBA '13), Ken Oshima Scholarship Recipient; Nicholas Scott, Guest



John A. Paulson, NYU Trustee and member of the Stern Board of Overseers, speaks with John A. Paulson Scholarship recipients.

Share Your Scholarship Story

When you were a student at Stern, did someone provide you with the gift of education in the form of a scholarship? Or, have you made a difference in

someone's life by gifting a scholarship to them? If so, we would love to hear your story. Contact us at 212-998-4040 or alumni@stern.nyu.edu.

Engage with the World

Did you know that the Stern community is 100,000+ strong and in more than 100 countries? Make connections, find friends, and share information and updates using Facebook, Flickr, LinkedIn, NYU SternConnect, Twitter, and more.

flickr

LinkedIn

NYU STERN
CONNECT



facebook



Keep Current - Stay Connected

Have you changed your name, job, or address? Update your information online using NYU SternConnect or by calling (212) 998-4040 to receive important updates about the School, information on career services, and invitations to alumni events in your area. Help us be environmentally responsible by providing **your e-mail address.**

class notes

Send us your news, update your contact information, and access the contact information of your fellow alumni through NYU SternConnect, Stern's online alumni community, at www.sternalumni.nyu.edu.

1950s

Donald Zucker (BS '52), of Old Westbury, NY, was given the Bernard H. Mendik Lifetime Leadership in Real Estate Award at the 117th annual Real Estate Board of New York banquet.

Stanley Kreitman (BS '53), of Roslyn, NY, has been appointed to the board of directors of Arbor Realty Trust, Inc. as an independent member.

The Hon. Charles B. Rangel (BS '57), of New York, NY, was recognized as one of the "New York City Power 100" by *City & State*, which features the 100 most powerful people in New York City politics. Rangel is a United States Representative.

1960s

Dorothy Philips, PhD (MBA '64, PhD '71), of New York, NY, was inducted into the Medical Advertising Hall of Fame on February 5, 2013. The Medical Advertising Hall of Fame honors those who have made significant contributions to the medical advertising profession.

1970s

Fred Zeidman (MBA '70), of Houston, TX, has joined Lucas Energy, an independent oil and gas company, as a member of the board and its audit and compensation committees.

Laurie Thomas (BS '74), of Mamaroneck, NY, married Barry Farber in White Plains, NY.

Dodge Oatwell Dorland (MBA '75), of New York, NY, has been appointed to the New York Academy of Medicine board of trustees, effective January 1, 2013 through 2016.

Mark E. Gaumont (MBA '75), of Mill Valley, CA, has been appointed to the board of directors of Cliffs Natural Resources, an international mining and natural resources company.

Daniel J. Rice, III (MBA '75), of Milton, MA, has joined the Energy division of GRT Capital Partners, LLC, a privately-held asset management firm, as lead Portfolio Manager for the GRT Energy strategy.

Paul Narayanan (MBA '76), of Bryn Mawr, PA, has joined Lincoln National Corp. as Managing Director of portfolio management analytics.

Eugene N. Ferraro (MBA '77), of Montvale, NJ, has joined the New York City office of tax and accounting firm Weiser Mazars as Partner and Tax Sector Leader for international tax services.

David Goodman (MBA '78), of Harrison, NY, has been appointed to the position of Chief Financial Officer at DecisionPoint Systems, a provider and integrator of Enterprise Mobility and Wireless Applications.

Eric Serenkin (BS '78), of Flushing, NY, has joined the financial firm First Capital as Northeast Regional Business Development Manager.

Thomas Tolda (BS '78), of Moraga, CA, has been appointed Executive Vice President and Chief Financial Officer of Mission Community Bancorp and its wholly-owned banking subsidiary, Mission Community Bank.

Abby F. Kohnstamm (MBA '79), of Larchmont, NY, has joined Pitney Bowes, a provider of technology enterprise services, as Executive Vice President and Chief Marketing Officer. She has also been elected an officer of the company.

Rae Dichter Rosen (MBA '79), of Riverside, CT, has been promoted to Vice President in the regional and community outreach function of the Communications Group at the Federal Reserve Bank of New York.

William C. Rudin (BS '79), of New York, NY, was recognized as one of the "New York City Power 100," by *City & State*, which features the 100 most powerful people in New

York City politics. Rudin is Vice Chairman and CEO of Rudin Management Company.

1980s

Gail S. Landis (MBA '81), of New York, NY, has been elected to the board of Morningstar, the provider of independent investment research. Landis was one of four founding partners of Evercore Asset Management, which specialized in small- and mid-cap US equities.

Edward Gilligan (BS '82), of New York, NY, has been named President of American Express Company.

Alan J. Mustacchi (BS '82, MBA '88), of Scarsdale, NY, has been appointed Managing Director and Head of Consumer Products and Specialty Retail Investment Banking at Chicago-based middle market investment bank Dresner Partners.

David Spalding (MBA '84), of Ames, IA, has been named the new Dean of Iowa State University's College of Business.

Sanjiv Anand (MBA '85), of Mumbai, India, has written *Unlocking Human Capital to Drive Performance: A CEO's Handbook*. Anand is the Managing Director of Cedar Management Consulting International, a global management consulting firm.

Frederick Brimberg (MBA '85), of Greenwich, CT, has joined Virtus Investment Partners' Euclid Advisors affiliate. He is a member of the New York Society of Security Analysts and sits on the Bank of New York ADR committee.

Allen S. Morton (MBA '85), of Calistoga, CA, has been appointed to the advisory committee of Tinka Resources Limited to provide consultation to the board of directors in matters related to corporate finance.

Daniel H. Schulman (MBA '86), of New York, NY, has been elected to the position of Non-Executive Chairman of the board of Symantec Corp. Schulman has been a member of Symantec's board of directors since March 2000.

Melanie J. Wong (BS '86, MBA '94), of New York, NY, was selected as one of the "Women of the Year" by the National Association of Professional Women.

Bernice Clark (MBA '87), of New York, NY, was recognized by *Black Enterprise* as one of the "Top Women Executives in Advertising & Marketing." Clark is Senior Vice President, Merchandise Marketing, for Macy's Inc.

John Kritzmacher (MBA '87), of Far Hills, NJ, has joined the publishing firm John Wiley & Sons as Executive Vice President and Chief Financial Officer.

Thomas R. Wright (MBA '87), of Scarborough, NY, has joined JMP Securities as a Managing Director and Director of Equities. Based in the firm's New York office, Wright will oversee JMP Securities' institutional sales and trading business, as well as its equity research effort.

Enrique Chang (MBA '88, MS '96), of Kansas City, MO, has been named Head of Growth Equities at Janus Capital, reporting to Chief Executive Officer Richard Weil.

Alessandra DiGiusto (MBA '88), of New York, NY, has joined the board of directors of Americans for the Arts, a non-profit focused on advancing the arts and arts education. DiGiusto has held the positions of Chief Administrative Officer and Director of Deutsche Bank Americas Foundation since 2003.

Robert "Bobby" Melnick (MBA '88), of New York, NY, has joined the board of Hampshire Group, a publicly-traded sportswear company. Since 1999, Melnick has served as a founding General Partner of Terrier Partners LP, an investment partnership, which invests in micro-cap companies.

John Dearborn, Jr. (MBA '89), of Washington, DC, has been appointed Senior Vice President of NGL & Petchem Ser-

vices at Williams and Williams Partners. He will oversee the natural gas liquids and olefins business and operations.

William E. Whiston (MBA '89), of Rye, NY, has been named to the board of directors of Hudson Valley Holding Corp. and Hudson Valley Bank.

1990s

Alan Cohen (MBA '90), of Pleasanton, CA, has joined the board of directors of Scale Computing.

Philip Lee (MBA '90), of Singapore, has been appointed Chief Country Officer of Singapore and Vice Chairman for the Southeast Asia territory for Deutsche Bank.

Elliott M. Kugel (MBA '91), of Skillman, NJ, was named to *Barron's* list of "America's Top 1,000 Advisors" (ranked 15th in the State of NJ) for the fourth consecutive year. Kugel is a Managing Director – Wealth Management at Merrill Lynch in Bridgewater, NJ.

Lance La Vergne (MBA '91), of Montclair, NJ, has taken the position of Director of Talent Acquisition at Alcoa.

Seth Rosenfield (BS '91, MBA '98), of Rye, NY, has joined the investment bank Petsky Prunier as Managing Director.

Debra Chrapaty (MBA '92), of Carmel Valley, CA, has been appointed Chief Executive Officer and Executive Chairwoman of Nirvanix, a San Diego-based provider of enterprise-class cloud storage services.

Michele L. Neely Saltoun (MBA '92), of Santa Barbara, CA, has been elected to the board of directors of Girls Inc. of Greater Santa Barbara, a nonprofit organization "dedicated to inspiring all girls to be strong, smart, and bold."

William E. Rohr (BS '92), of New York, NY, has joined Digital Luxury Group, the first international company dedicated exclusively to the design and implementation of digital strategies for luxury brands, as a new Non-Executive Partner.

Sonjoy Ganguly (BS '93), of Closter, NJ, has joined 24/7 Media, a digital media and technology firm, as Senior Director of Product Management.

Direct Success

Josh Boaz's digital marketing agency, Direct Agents, is celebrating its 10th anniversary. While the milestone is a measure of success for any small business, what may be more remarkable is that Boaz founded the company while he was still an undergraduate at NYU Stern.

From early in his college career, Boaz knew that his Stern experience was going to be different than the average college freshman's. "Everyone is very career-oriented," he said. "People are doing interesting internships and part-time jobs. Having that exposure from freshman year helps motivate you." He pursued a few internships but quickly found his niche at a technology marketing firm, rearranging his class schedule to allow himself to put in 40-to-50-hour work weeks. He thrived, so much so that by his junior year, he and his older brother, Dinesh Boaz, were ready to branch out with their own venture.

Realizing that launching a start-up would require all the resources at his disposal, Boaz, who now also holds a JD from Fordham Law, sought out Richard Hender, a Stern business law professor. Hender became indispensable to the Boaz brothers, advising them on everything from how to incorporate their business to securing office space.

In 2003, Direct Agents incorporated and within only a few years was ranked 64 on the list of fastest-growing businesses in America, by *Entrepreneur* magazine. The accolades and growth continued: *Crain's New York Business* named it one of its 2012 "Fast 50" and it has been named to *Inc.* magazine's list of fastest-growing privately-held companies four times and counting.

Direct Agents has evolved from a digital marketing start-up to a full-service digital agency that is taking advantage of the industry's shift to real-time advertising and programmatic media buying. Today it employs nearly 50 people and occupies a floor of 740 Broadway near Astor Place in New York, just blocks from its roots at the Stern campus.

Despite its good fortune, Direct Agents has also already seen its share of lean times. Boaz explains: "We are a consumer-based digital advertising company. When the economy started to slow down in 2008 – or even now when there is fear of a slowdown – advertising was and is the first thing to get cut. Until 2009, it was only growth." On being positioned to weather the downturn, he recalls: "We were lucky to be in an industry that had been quickly expanding. Seeing that dip as a small-business owner allowed me to appreciate different things. We didn't lay people off despite 30-to-40-percent declines in revenue. Holding on to good people paid off when the turnaround came. There will always be downturns, and you have to be prepared for that."

With the company Boaz has been keeping, he seems well equipped to handle potential setbacks. Last year, he and his brother participated in the pilot CEO-UBS Small Business Advisory Program, a philanthropic partnership between the Clinton Foundation and UBS Wealth Management Americas to provide small-business owners with the skills necessary to support business expansion and job growth. Boaz was mentored by high-level UBS executives, and the program culminated with an awards dinner attended by former US President Clinton. Boaz says, "It was a great honor and a milestone to reflect on my career. As much as we had accomplished in the last 10 years, there is always more to learn and to improve on."



Josh Boaz (BS '04)

Nahla A. Azmy (MBA '94), of Princeton, NJ, has been appointed Vice President of Investor Relations and Communications at Rockwood Holdings.

Nadja M. Bellan (MBA '94), of White Plains, NY, was recognized by *Black Enterprise* as one of the "Top Women Executives

in Advertising & Marketing." Bellan is Senior Partner, Managing Director at Ogilvy & Mather.

Laurie Liebers (MBA '94), of Martinsville, NJ, has joined Peapack-Gladstone Bank as Senior Managing Director of Cash Management.

John Ryan, III (MBA '94), of New York, NY, has joined Avison Young as a Principal to further grow the company's transaction services platform.

Steven D. Berns (MBA '95), of Short Hills, NJ, has been appointed Chief Financial Officer at Chicago-based Tribune Co., which owns

A Lifetime of Giving Back

Although he's an NYU Stern alumnus who founded TemPositions, now one of the largest regional staffing firms in the US, some of Richard Essey's most rewarding accomplishments have occurred outside of the business world. In May 2013, the ALS Association presented him with its Lifetime Achievement Award for service and contribution to the ALS community. The ALS Association researches what is commonly known as Lou Gehrig's disease.

The entrepreneurial and business mindset he brings to nonprofit organizations was evident in Essey at a young age when he enlisted his older sister to help sell "pop" on the sidewalk outside their house in Cleveland. By the time he was attending high school, he was rising before dawn, seven days a week, to deliver *The New York Times*. When it came time for college, Stern was an attractive option. By this time, Essey was living with his widowed mother and his sister in New York. Essey enrolled in Stern night school, while working days, before the attack on Pearl Harbor. When war broke out, he enlisted in the Air Corps Reserve and was called to active duty in the Air Force in 1943. He later returned to Stern nights to obtain a BS in 1947 and a MBA degree in 1948.

After rising through a series of personnel, administrative, and management positions in the advertising and consumer goods industries, Essey founded TemPositions in 1962. His success with the company enabled him to establish the TemPositions Career Resource Center at NYU, which donated computers and software to students who were printing annual reports to use as study materials in advance of their job interviews.

In 1994, Essey's wife Sheila was diagnosed with ALS, prompting him to launch the Bay Area Chapter of the ALS Association and to join the association's National Board of Trustees. He established the Sheila Essey Award for ALS Research in 1996, now recognized as the most prestigious award in the world of ALS research. For the past 15 years he has sent more than 150 caregivers to the Claremont Hotel Club & Spa in Berkeley for two days of rest and recreation. He often receives comments from the participants remarking, "It's the first time in seven years, since my husband had a stroke, that I've awakened thinking about myself first, instead of my husband."

Essey wishes to convey to Stern alumni "how wonderful it is to be able to help people." He doesn't regret his generosity to so many worthy causes, in particular ALS, reflecting: "Maybe we can get closer to what causes it. And eliminate it." He may be well on his way there – a donation he made to the ALS Association a few years ago was used by a researcher at the Mayo Clinic to make the breakthrough discovery of the second ALS gene, found in almost 50 percent of patients who have familial ALS. "I really feel so wonderful about what I've been able to do in my lifetime. What would I have done with the money anyway?"



Richard Essey (BS '47, MBA '48)

and operates 23 television stations and seven daily newspapers, as well as Chicago radio station WGN-AM (720).

Kuniaki B. Doi (MBA '95), of New York, NY, has been promoted to Managing Director at Goldman Sachs.

Kevin Ger (MBA '95), of Decatur, GA, has been appointed Vice President of Revenue Management at Virgin America, the California-based airline.

Luis A. Madariaga (BS '95), of Red Bank, NJ, has been appointed Finance and Administration Manager for Xerox's Chilean subsidiary.

Kevin J. O'Donnell (MBA '95), of Westbury, NY, has been promoted to serve as Chief Executive Officer and member of the board of directors at Bermuda-based RenaissanceRe Holdings.

Jim Kourkoulakos (MBA '96), of Mahwah, NJ, has joined Munder Capital Management as a Senior Portfolio Manager for Fixed Income.

Joseph P. Landy (MBA '96), of Bronxville, NY, has been appointed to the board of directors of the National Park Foundation.

Robert L. Levy (MBA '96), of Ridgewood, NJ, has been promoted to Chief Executive Officer of Centerline Capital Group, a provider of real estate financial and asset management services for affordable and conventional multifamily housing, and a subsidiary of Centerline Holding Company. He will also remain President.

Chantel D. Moore, Esq. (MBA '96), of New York, NY, has joined Dechert LLP as Director of Diversity. Moore will serve as a global advocate on diversity, inclusion, and equality issues and will coordinate with various leaders and groups to implement the firm's diversity initiatives.

Caralene Robinson (MBA '96), of East Point, GA, has been named Senior Vice President of Creative Group and Consumer Marketing at VH1. Robinson was also recognized by *Black Enterprise* as one of the "Top Women Executives in Advertising & Marketing."

Sacha Ross (MBA '96), of New York, NY, has been elected partner at Wilson Sonsini Goodrich & Rosati, a provider of legal serv-

ices to technology, life sciences, and growth enterprises worldwide.

Kathleen Weber (MBA '96), of Bethlehem, PA, has been appointed to Senior Vice President and General Manager of Consumer Products at OraSure Technologies.

Omar K. Alghanim (BS '97), of New York, NY, was recognized by *Gulf Business* magazine as one of the "Top 100 Arabs That Matter."

Scott Alper (BS '97), of New York, NY, was recognized in *Crain's New York Business'* annual list of "40 Under 40." Alper is a Principal at The Witkoff Group.

John Orwin (MBA '97), of Hillsborough, CA, has joined biopharmaceutical company Relypsa as Chief Executive Officer.

Thomas Page (BS '97), of New York, NY, has joined Pandora in the new position of Vice President, Artist and Brand Partnerships.

Jason Wittes (MBA '97), of Wynnewood, PA, has joined Brean Capital, LLC's Health-care Group as a Senior Analyst covering the medical technology and supply industry.

John A. Delbridge (MBA '98), of New York, NY, has been unanimously elected Chief Executive Officer, in addition to his current responsibilities as President at Mimeo, an online printing and content distribution solutions company.

Elana Drell Szyfer (MBA '98), of West Orange, NJ, has been named Chief Operating Officer globally of Ahava, an Israeli cosmetics company.

Mary Anne Heino (MBA '98), of Pennington, NJ, has been appointed Chief Commercial Officer of Lantheus Medical Imaging, Inc., where she will be responsible for global sales and marketing.

Bradley McGowan (MBA '98), of Bethlehem, PA, has joined Philadelphia-based SolomonEdwards, a national professional services firm, as Director of Business Development for its national transaction and regulatory advisory practice.

Catherine Balsam-Schwaber (MBA '99), of New York, NY, has been promoted to Senior

A Business Education for the Real World

"The most productive educational experience I have had," is how Lee Howley characterizes the 12 months he spent at NYU Stern earning his MBA degree. Building on a solid academic foundation that included receiving an undergraduate degree in accounting from Georgetown University, Howley craved "real-life, hands-on experience" and chose to pursue graduate studies at Stern due to its proximity to Wall Street – both geographically and in terms of the professional backgrounds of its faculty. He explains that the School, "connected the dots for me and demonstrated how to apply an academic foundation to the real world."

For Howley, the "real world" that he speaks of is a reality where many find themselves today: on a nontraditional and varied career path. Although he spent six months working at an accounting consulting firm before enrolling at Stern, upon graduation Howley was hired to head the venture capital department at Eaton Corporation, a major industrial company based in his native Cleveland. After some time, he realized that the corporate culture was not entirely what he imagined it would be and that his passions would be best served by going into business for himself and becoming his own boss. While running a real estate development company devoted to medical spaces, he grew fascinated by telecommunications.

Noting that his education "came in very handy" for his next venture, Howley formed a franchised cable system for Cleveland that became the only major urban cable provider to be financed 100 percent through a leveraged financing deal – and of which he and his partners were able to maintain total control. He then went on to build similar cable systems in Europe before turning his attention to the restaurant business. In 2000, he founded Howley Bread Group, Ltd., which owns and operates 27 Panera Bread bakery-café's in Connecticut, Massachusetts, and Rhode Island. Howley Bread currently employs more than 1,200 associates and its affiliate manages various corporate functions for other Panera Bread franchisees in five states.

Another distinction of Howley's somewhat unusual career is that he became involved in civic organizations relatively early in his life, finding that "people with basic, common-sense business experience can make a tremendous difference to government and nonprofits" and that "we in the business community need to reach out and lend a helping hand." Just a few of the institutions that Howley has lent his helping hand to include the Ohio Wildlife Council, which he chaired; Rock and Roll Hall of Fame + Museum; Arthritis Foundation; and the United Nations, where he acted as the US's Public Delegate from 1994 to 1995. Drawing on his experiences, Howley's advice to friends and family, as well as to the Stern alumni community, is to "find what you love to do; what makes you excited, even if it means less money or success in the traditional sense. Don't wait – go for it now."



Lee Howley (MBA '72)

Vice President, NBCUniversal's Integrated Media group, part of NBCUniversal's Entertainment & Digital Networks and Integrated Media division.

Katherine "Tia" F. Chapman (MBA '99), of New York, NY, was appointed the Deputy Director for External Affairs at the Frick Collection. Chapman will oversee the development department in a wide-range of fundraising and outreach initiatives.

Christopher J. DeLaura (BS '99), of Westport, CT, has been promoted to Chief Operating Officer of the private client group at Westport Resources Management.

Lawrence A. Litt (MBA '99), of Woodcliff Lake, NJ, has joined the accounting and business advisory firm Marcum as Partner.

Michael A. Moran (MBA '99), of Chatham, NJ, has been promoted to Managing Director at Goldman Sachs.

George Raptis (MBA '99), of White-stone, NY, has joined the North Shore LIJ Health System's Cancer Institute as Vice President of the oncology network. Raptis also serves as Associate Chief of Oncology and full-time Attending Physician in the department of medicine's division of hematology-oncology at North Shore University Hospital and Long Island Jewish Medical Center.

2000s

Timothy Armstrong (MBA '00), of Leesburg, VA, has joined Solomon Edwards' Banking & Financial Services Practice.

Marta Martinez (MBA '00), of White Plains, NY, has been appointed to the role of Head of Sales Strategy & Operation at AOL Advertising.

Rick J. Romano (MBA '00), of Denville, NJ, has been promoted to Managing Director for the global real estate securities team at Prudential Real Estate Investors, where he is responsible for security selection, portfolio strategy, and portfolio construction in North America.

Vasily Sofiyskiy (MBA '00), of Moscow, Russia, has been appointed to

Globe-Trotting Entrepreneur



Brittany Laughlin (BS '07)

As the child of a military family, Brittany Laughlin was raised largely in North Carolina but saw enough of the world to know that she wanted a big-city environment for her college experience. With a passion for the arts, NYU's Tisch was a huge draw, but a convincing speech by then-NYU Stern Undergraduate College Dean Frederick Choi to a group of accepted high school seniors solidified her decision to come to New York to study both business and film.

"I thought the diversity of the student body was incredible," Laughlin said. "People came from so many different countries and communities and brought with them the ideas and attitudes they grew up with. I tried to take advantage of all the opportunities – I studied abroad in Florence and was part of the Stern Marketing Society and Entrepreneurship Group." It was through an internship that Laughlin landed her first job after graduation. She worked both her junior and senior years for American Express OPEN, which led to a series of full-time roles for the credit card company's product line for small businesses. She elaborates: "Building new products and seeing them go to market was very cool. And I liked being close to small-business owners. Working with them made me realize that I wanted to start something of my own." But as the world reeled from the 2008 market crash, Laughlin decided to stick with her day job while quietly pursuing other interests. "I worked on a film and at a solar company before I started a social-media-based travel company called Gtrot."

As the economy improved, Laughlin was able to focus exclusively on Gtrot after receiving funding from venture capital firm Lightbank, a backer of Groupon. After two years, she left day-to-day operations after pivoting the brand out of travel into Boomerang, a B2B online gift card platform. Still brimming with new ideas and passions, Laughlin embarked on a new business plan with roots close to her heart. Inspired by the Navy careers of her grandfather, father, and brother, she founded Incline HQ, a training and networking resource for veterans transitioning from active duty. Incline takes vets who already have some degree of technical knowledge and puts them through an intense, eight-week course to make sure their skills are up-to-date and that they are plugged into the job market.

Laughlin is now the General Manager of Union Square Ventures, an Internet technology venture capital firm. She enjoys helping build its network of portfolio companies and then connecting those businesses to each other. Laughlin values Stern for its similar ability to make connections among its community and credits the Stern network as a "great resource" in her entrepreneurial endeavors. Up next, Laughlin wants to carve out more time for travel, even though she has already conquered all seven continents, recounting, "I ran into [NYU President] John Sexton in Antarctica on a boat with 70 other people!" Though the most surprising trip may be the one she's been on since graduation: "Five or six years ago I couldn't have predicted this is where I would be today. It will be interesting to see where I am six years from now."

Head of the ultra high net worth clients group at Sberbank Private Banking, the business block of the Sberbank Group.

Jonathan Seth Wolfson, Esq. (MBA '00), of Redwood City, CA, has been appointed to the supervisory board of Avantium. Wolfson is Chief Executive Officer and Co-Founder of Solazyme.

Jonathan Berlent (MBA '01), of Plainview, NY, has been appointed to Vice President of Business Development at Tris Pharma.

Matthew DeNezza (MBA '02), of Spring, TX, has been named Executive Vice President and Chief Financial Officer at Eclipse Resources Operating, LLC.

Robert J. Dezego (MBA '02), of Atlanta, GA, has joined S&P Capital IQ as an Integrated Telecom Services Equity Analyst.

Vladimir Y. Barbalat (BS '03), of New York, NY, has been promoted to Managing Director at Goldman Sachs.

Jennifer Fan (BS '03), of New York, NY, was recognized on the *Forbes* "30 Under 30" finance list. Fan is the founder of Arbalet Capital.

Eric Goldstein (MBA '03), of Westfield, NJ, has been promoted to Managing Director at Goldman Sachs.

J. Matthew Royal (MBA '03), of Chattanooga, TN, has joined Unum Group as Vice President and Chief Auditor.

Vanessa E. Simonetti (MBA '03), of Chatham, NJ, has been promoted to Managing Director at Goldman Sachs.

Robert A. Francis (MBA '04), of Parsippany, NJ, won the 2013 Ernst & Young "Entrepreneur of The Year" award in the business services category. Francis is the Chief Executive Officer of Planned Companies.

Kevin A. McQuarrie (BS '04), of Greenwich, CT, married Kathryn Lee Sims

at St. Michael's in Old Town Church in Chicago, Illinois, on April 27, 2013.

Georgi D. Balinov (BS '05), of New York, NY, married Bradford Shane Shellhammer on March 27, 2013, at the Manhattan Marriage Bureau. On March 30, the comedian and actress Sandra Bernhard, who is also a Universal Life minister, led a nondenominational ceremony before relatives and friends at the Russian Tea Room in New York.

Brian Bandsma (MBA '05), of Scarsdale, NY, has been promoted to Co-Portfolio Manager at Vontobel Asset Management, Inc., a New York-based global equity investment management firm.

Gabriel A. Erbst (BS '05), of New York, NY, married Alona Judith Simon on December 22, 2012.

Radu Gabudean (MPHIL '05, PhD '07), of New York, NY, has joined American Century Investments' Asset Allocation Team as Co-Portfolio Manager for the Strategic Allocations Funds.

Chintan Pandya (BS '05), of Egg Harbor Township, NJ, has rejoined Houlihan Lokey as a Vice President.

Dr. S. Brent Ridge (MBA '05), of New York, NY, married Joshua Kilmer-Purcell in their home in Sharon Springs, New York.

Tim Wang (MBA '05), of Chappaqua, NY, has been promoted to Director of Clarion Partners.

Chris Brill-Edwards (MBA '06), of Fort Lee, NJ, was named Senior Vice President of Design and Construction of The Rockefeller Group.

Navid Meghji (MBA '06), of North Vancouver, Canada, was recognized on *Business in Vancouver's* 2012 "Forty under 40" list. Meghji is the Director of Business Development at Retirement Concepts.

Eliana Y. Bavli (BS '07), of Cedarhurst, NY, married Samuel Aaron Tisch on February 24, 2013.

Mark J. Sullivan (MBA '07), of Larchmont, NY, has joined the Stonehaven team as a Managing Director and Partner.

David M. Fleming (MBA '08), of New York, NY, married Findley Davidson at Gotham Hall in New York.

Gur Roshwalb (MBA '08), of New York, NY, has been appointed Chief Executive Officer at Celsus Therapeutics.

Robert M. Simoni (MBA '08), of New York, NY, has joined International Safety Group, an occupational risk management services company as Chief Financial Officer.

Ahmad Al-Sayed (TRIUM '09), of Doha, Qatar, and Chief Executive Officer of the Qatar Investment Authority, has joined the international advisory board of the Russian Direct Investment Fund. He was recognized by *Gulf Business* magazine as one of the "Top 100 Arabs That Matter."

2010s

David B. Metz (MBA '11), of New York, NY, married Juliette Anne Wallace on May 11, 2013, at the Yale Club of New York.

Maria C. Aristizabal (MBA '12), of Medellín, Colombia, was named to the Board of Directors of Grupo Nutresa.

Mariama Atiya Jerrell (MBA '12), of Jersey City, NJ, married Lesslie Kwame Kissi on April 14, 2013, at Maritime Parc in Jersey City.

Brett S. Kasner (MBA '12), of New York, NY, married Alexandra Blair Copell on November 17, 2012.

Miriam S. Klein (MBA '12), of New York, NY, was recognized on the *Forbes* "30 Under 30" Finance list. Klein is a Partner at PricewaterhouseCoopers.

Swaady Martin-Leke (TRIUM '12), of Hurlingham, South Africa, was recognized in *Forbes* "20 Youngest Power Women in Africa." In 2011, she launched YSWARA, a luxury brand committed to offering the best African teas and cultural experiences.

Jonathan S. Schwartz (MBA '12), of Fresh Meadows, NY, married Erica Lynn Dody on January 20, 2013, at the Crest Hollow Country Club in Woodbury, NY.

In Memoriam

Helen Tansey Farhat (MBA '46)

Boris Berkovitch (BS '47)

Dominick J. Carlucci (BS '50)

Charles H. Frost (MBA '52)

**Gerald Glasser (BS '53, MBA '54, Steinhardt PhD '57),
Professor Emeritus of Business Statistics**

Alan Hornstein (BS '53)

John M. McCarthy (MBA '54)

Robert A. Donohue, Jr. (MBA '57)

Anthony J. Germano (BS '57, PhD '59)

Joseph A. Mansi (BS '57)

Charles A. Wetzel (PhD '59)

William E. Peters (MBA '63)

Raymond D. Saxe, III (MBA '90)

Paul Corrado (MBA '02)



Passport Required

NYU Stern's commitment to global education is 40 and still growing

By **Marilyn Harris**

In 1973, on the cusp of NYU's sending the first 10 MBA students to go overseas as part of its brand-new international study program, then-Associate Professor Edward Altman told *Business Week* (*BW*) that such MBA student exchanges – virtually nonexistent then – “will definitely become a trend.”

That was an understatement. Over just the past decade, the number of participants in NYU Stern's various international programs exploded from 41 in the 2002-2003 academic year to 395 in 2011-2012 – an 895 percent increase.

Stern's early embrace of the concept of sending MBA candidates overseas to gain exposure to other cultures and ways of doing business was driven by Altman, now Max L. Heine Professor of Finance, and his colleague Ingo Walter, Seymour Milstein Professor of Finance, Governance, and Corporate Ethics and former Vice Dean. Under that original “project,” as *BW* called it, 10 upperclassmen each from NYU, France's Hautes Etudes Commerciales (HEC), and the London School of Graduate Business Studies (part of the University of London) spent a semester apiece at two schools other than their own.

Walter told *BW*: “We felt graduate business schools were not keeping pace in training and adapting students to go into multinational companies.”

Fast-forward to 2013. Stern offers a head-spinning array of programs, at every level, that span the globe. Undergraduates participate in the Barr Family International Studies Program, or ISP, where every junior in the business or Business & Political Economy (BPE) program studies abroad for one week after taking a course that explores how economic, cultural, and political disparities translate into strategic opportunities and challenges for international firms.

“Our students are constantly asked to think at the edge, beyond the expected. This is what will distinguish them as global leaders, and it is why they seek the Stern challenge.”

– Eitan Zemel, *Vice Dean for Global and Executive Programs, NYU Stern, and Dean of Business and Engineering, NYU Shanghai*

The students focus on a specific industry and then travel to meet with executives in that industry.

BPE candidates need to keep their passports handy for additional travel. They're expected to study abroad for multiple semesters, including at NYU's campus in London and either Shanghai or Washington, DC.

Undergrads enjoy many other study/travel opportunities under the umbrella program “Stern Around the

World.” For example, students study the economic development of either India or Abu Dhabi in the classroom and then travel to these emerging markets to experience what they've learned firsthand. Through the Stern International Volunteers Program, freshmen, sophomores, and juniors can help local communities in a developing country for 10 days.

As for MBA travel, the popular Doing Business in (DBi) program offers students one-to-two-week intensive courses between semesters and during school breaks. Locations include Argentina, Australia, Brazil, China, Costa Rica, Hungary, India, Italy, Singapore, Spain, and Turkey.

Stern works with 53 exchange partners in 29 countries for semesters abroad. And Professor Jill Kickul teaches the International Social Impact Strategies (ISIS) class, intended to provide a socially relevant academic experience and in-depth insights into economic and social value creation in the developing world. The 2012-2013 class did field work in Colombia. Other courses make integral use of specific locations. Professor Harry Chernoff's operations class spends a week at the Panama Canal studying its operations, as well as how its revenue affects the local economy. Professor Al Lieberman's media and entertainment

BUSINESS WEEK
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A year abroad for future MBAs

A junior year abroad is nothing new for U. S. undergraduates, and soon a final year abroad for MBA candidates also may become as popular. This fall New York University's Graduate School of Business Administration will offer selected students a semester in each of two European business schools, the London Graduate School of Business Studies, which is part of the University of London, and France's Hautes Etudes Commerciales.

"We felt graduate business schools were not keeping pace in training and adapting students to go into multinational companies" says Ingo Walter, an associate dean at NYU's graduate business school. "There has been a gap, and one way to close it is with a multinational education program. Most international business programs focus too much on business education, without enough emphasis on language and living in another culture."

The University of Chicago in 1965 pioneered sending MBA students to Europe, but other schools showed little interest. Now the concept is attracting converts. Several U. S. schools are negotiating with European counterparts for an exchange program, and Edward I. Altman, an associate professor of finance who, with Walter, established NYU's program, predicts that MBA student exchanges "will definitely become a trend." The improving academic stature of foreign B-schools is one reason the exchange effort should flourish.

Backing. NYU's project is partly supported by U. S. companies. Exxon and Goldman, Sachs have already made commitments, and the B-school is confident that other corporate backers will come through and help hit the modest \$30,000 target for the first year. The Ford Foundation has given \$25,000 to the program, as have business groups in Britain and France.

Under the program, 10 students from each country will study a semester apiece at two schools other than their own. Full scholarships are given in Britain by such companies as Shell, Unilever, and British Petroleum, and in France by a consortium of corporations, which will at least enable them to spend no more than they would at NYU. Dean William Dill of NYU's graduate B-school thinks all his students next year will get full scholarships paid for by U. S. companies.

If the program works well, enrollment will be expanded and countries may be added. Belgian and Swedish schools have expressed interest, and Dill thinks a Japanese school should be included if language and logistical problems can be overcome.



Walter and Altman: Their MBA program picks up company and foundation support.

NYU's program unlike Chicago's, offers full credit. Chicago students get only a quarter's credit for a year's study at either the Catholic University of Louvain in Belgium, the London School of Economics, or the London Graduate School of Business Studies.

NYU students are enthusiastic. Perry Gleason, a finance major who wants to work in international venture capital markets, says: "Here you tend to get the American view of Europe in international business courses. There I expect we'll be getting the European perspective on Europe and on America as well." To Joseph Nowak, another finance major, "The most important part of the program will be the cultural interface. Only by being there can you really learn to interact with people in another society."

London commencement. Some institutions have found it hard to devise an exchange program. John W. Duncan, director of MBA program administration at the Harvard Business School, says the main problem is that the overseas student "misses some vital requirements for his degree here."

Another drawback, which Harvard foresaw, was the lack of opportunity for students to see prospective employers. One solution is to make student dossiers available here to multinationals. Sponsoring companies will be invited to a May commencement in London and recruiting interviews can be conducted overseas. "From the response we have had from multinational companies," Dill said, "we expect some recruitment to go on there as well."

course takes students to the Cannes Film Festival for an insider's look at film promotion and distribution.

Traveling business class

For executive MBA candidates, the international component takes the form of a weeklong global study tour each year. International learning is intrinsic to the global degree program group that includes the TRIUM Global Executive MBA and the master's programs in Global Finance, Risk Management, and Business Analytics. All require on-site modules overseas, at partner universities in London, Paris, Hong Kong, or Shanghai.

Thanks to the foresight of Altman, Walter, and others, Stern students have access to global education in all of its degree programs. Furthering the School's international focus, last January, Eitan Zemel, vice dean for global and executive programs, was named dean of business and engineering at NYU Shanghai, the newest portal campus at NYU.

As a bridge between New York and Shanghai, Zemel has a privileged view of the School's commitment to global education. "In the global degree programs and executive education group," he said, "we have implemented a continuous improvement cycle. We work constantly to ensure that our programs are teaching our students to face the challenges of their career as a whole. Our students are constantly asked to think at the edge, beyond the expected. This is what will distinguish them as global leaders, and it is why they seek the Stern challenge." ■

MARILYN HARRIS is editor of *STERNbusiness*.

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