

BizEd

July/August 2011



Navigating
the
Maze
of Career
Services

Bright Millennials on Campus
Building the Best B-Schools

contents

JULY/AUGUST 2011 • VOLUME X, ISSUE 4

Features

20 CAREER SERVICES FINDS ITS WAY
B-school career services offices have emerged from the recession with stronger employer relationships, more dynamic social media strategies, and better ways to help their students find jobs.

32 CAREER LAUNCHPAD
A quick look at how many business schools are opening their own career centers and what kinds of services they offer.

34 THE SCHOOL, THE MISSION, THE BUILDING
Architect Jeffrey Ziebarth of Perkins + Will believes a business school's facility must reflect its values and align with its goals.

42 COPING WITH MILLENNIALS
Today's college students share seven distinct characteristics, and the College of Business at the University of Arkansas in Fort Smith works with those traits to help students learn.

50 ATTRIBUTES OF EXCELLENCE
AACSB's Jerry Trapnell and Shenandoah University's W. Randy Boxx describe how the best business schools seek continuous improvement and attain high levels of quality as they pursue accreditation.



Departments

6 FROM THE EDITORS
8 CALENDAR
10 HEADLINES

56 RESEARCH
60 TECHNOLOGY
64 YOUR TURN

66 BOOKSHELF
68 CLASSIFIEDS
72 IDEA EXCHANGE

How to Succeed in Business While *Really* Trying




RAQUITA HENDERSON

There's no doubt that the job market is tough these days. So much so that many college graduates are taking to YouTube, contributing to a growing collection of "why-you-should-hire-me" video résumés. Some eager job hunters target their video pitches to specific companies. Others offer energetic musical numbers. Still others stand against blank walls dressed in business attire as they deliver stilted summaries of their qualifications. And then there are those who parody the video résumé genre itself. At the start of "I Dominate!," YouTube rapper Remy Munasifi portrays a megalomaniacal job applicant who claims the MBA on his résumé stands for "Master of Being Amazing." Sure, that description might be accurate for many business graduates—but I doubt Remy's approach would help any of them land a job.

Ultimately, business students would be more successful polishing their LinkedIn profiles and building their personal networks than busting a move on YouTube, say the b-school career counselors in our article "Career Services Finds Its Way." In this issue, these career planners share the best practices they've developed to help business students navigate one of the most competitive job markets in years. Schools are training students to communicate like professionals, network like champions, and master the lost art of the cold call. And career services offices are practicing what they preach with more robust corporate outreach, especially to companies that have never recruited MBAs before.

But while career services directors are looking beyond the Fortune 500 to find job opportunities, they admit it can be difficult to convince students to do the same. In their article "Coping with Millennials," educators from the College of Business at the University of Arkansas in Fort Smith discuss the challenges of working with the latest generation of students. These students can be intelligent, passionate, and driven to make a difference, but they also can be sheltered and reluctant to forfeit high expectations. By working to understand the Millennials' collective quirks, these authors say, business schools can serve them better once they come to campus.

I remember when all it took to be a state-of-the-art job hunter was the want ads, a polished résumé, good references, and a roll of stamps. Now, students also need to tackle LinkedIn, personal Web sites, and electronic portfolios. Today, even the most amazing business students will have to work harder than they expected to attract employers' attention. Lucky for them that they have access to the best career planning advice their business schools have to offer. 



Raquita Henderson



Entrepreneurs Flock To the Big Easy

THIS SPRING, dozens of entrepreneurs, business leaders, and business students convened in Louisiana to celebrate the 2011 New Orleans Entrepreneur Week (NOEW). The annual event is presented by The Idea Village, a nonprofit organization founded in 2000 to support and retain entrepreneurial talent in New Orleans. This year, through a combination of cash, in-kind and consulting services, NOEW 2011 contributed more than US\$1 million to the New Orleans entrepreneurial community.

Among the NOEW events was the IDEAcorns MBA Challenge, in which teams of MBA students came up with plans to expand the reach of New Orleans businesses. This year's winners were students from Northwestern University's Kellogg School of Management, who put together an online marketing strategy for Rare Cuts, a New Orleans gourmet meat shop.

During the weeklong event, dozens of local startups competed for cash funding, legal support, HP office products, and other prizes. The winners included companies devoted to clean water, clean energy, environmental renewal, and medical technology destined for use in the developing world. In addition to competitions, NOEW featured business workshops, keynote speeches, networking events, and interactive discussion sessions.

The idea for NOEW was hatched in 2006 when MBA students elected to spend spring break in the city to work with early-stage high-growth entrepreneurs. In 2009, the event was expanded to involve national and local corporations, universities, investors, and individuals.

More information about New Orleans Entrepreneur Week can be found at www.NOEW.org.

Business Basics: K-12

IT'S NEVER too early to spark someone's interest in learning about business. Several business schools have long sponsored high school "boot camps" over the summer, but now schools are devising new tools and programs that are designed to reach students at all ages.

- In March, the Wharton School at the University of Pennsylvania in Philadelphia launched Knowledge@Wharton High School. The site offers free articles, videos, a business-related game, and a glossary of more than 200 business terms targeted to high schoolers and their teachers. Students can browse through specific categories of special interest, such as entrepreneurship, environmentalism, fashion, sports, and technology. Available now in both Spanish and English, the site eventually will feature Chinese, Arabic, and Portuguese editions. Visit the site at kwhs.wharton.upenn.edu.

- The University of Toronto's Rotman School of Management in Canada and the Toronto District School Board have developed a partnership to bring business concepts into the public school system. Through the collaboration, the Rotman's I-Think Initiative—which

trains students how to evaluate their thinking processes when faced with difficult either-or choices—has been developed for use in primary and secondary schools.

• On May 1, students from Montclair State University's School of Business in New Jersey teamed up with more than 400 young entrepreneurs to participate in "Lemonade Day." The national program teaches children how to start and operate their own businesses through the traditional act of running a lemonade stand. Montclair State business students began working with groups of students earlier in the year to develop business plans, secure investors, set marketing goals, create products, and design and construct lemonade stands. After they covered their expenses and repaid investors, children were encouraged to open savings accounts and donate a portion of their profits to local charities.

"Lemonade Day" came about after Houston entrepreneur and philanthropist Michael Holthouse watched his daughter and her friend set up a lemonade stand in 2007. Since then, the program has expanded to 28 cities. In 2010, the children who participated in Lemonade Day poured over 5 million glasses of lemonade and donated more than US\$2 million to charities.

Job Market Grows for Accounting Grads

THE HIRING PICTURE is bright for new graduates with accounting degrees, because nearly 90 percent of accounting firms are predicting they will hire as many or more graduates this year compared with 2010. In fact, 71 percent of the largest firms anticipate their hiring rates will go up. The figures come from the 2011 survey released this spring by the American Institute of Certified Public Accounts, "Trends in the Supply of Accounting Graduates and the Demand for Public Accounting Recruits."

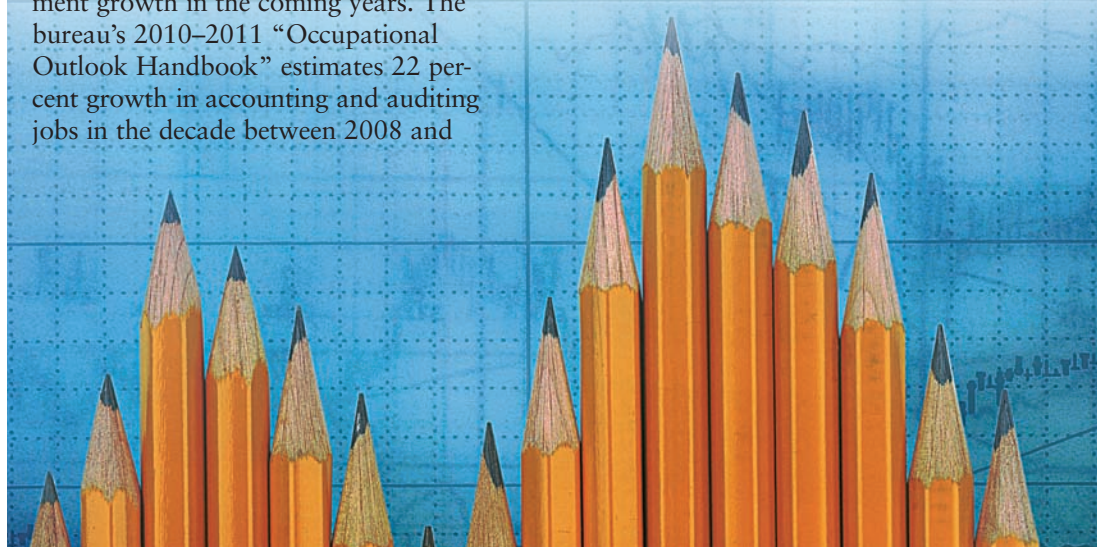
The survey also hints at a challenge that could soon face the profession: Demand for new talent eventually could outpace supply. Jeannie Patton, AICPA vice president for students, academics and membership, notes that a talent shortage could occur as worldwide economies recover and veteran accountants retired. "Employers increasingly want graduates with advanced degrees at the same time colleges, facing budget and other constraints, are restricted in their capacity to train all the students who want to join our profession," she says.

The AICPA report echoes findings from the U.S. Bureau of Labor Statistics, which expects accountants to experience "much faster than average" employment growth in the coming years. The bureau's 2010–2011 "Occupational Outlook Handbook" estimates 22 percent growth in accounting and auditing jobs in the decade between 2008 and

2018, adding that job candidates with professional designations, particularly CPAs, and graduates with master's degrees have the brightest outlook.

All told, 226,108 students were enrolled in undergraduate or graduate accounting programs during the 2009–2010 academic year, 6 percent more than in 2007–2008, the last time the AICPA conducted its survey. A record 68,639 students graduated with accounting degrees in 2010. Nearly 4 in ten accounting graduates hired last year by CPA firms had master's degrees, compared with 26 percent in 2008. By contrast, 43 percent of graduates hired had bachelor's degrees, down from 56 percent in 2008.

The shift reflects the growing complexity and globalization of the accounting industry—and the challenges schools face in keeping up with it. According to the AICPA report, a growing number of accounting programs are rejecting qualified applicants because they don't have capacity to accept them. The increase likely is due to budget constraints at universities brought on by the economic downturn and a shortage of academically qualified professors as many longtime teachers reach retirement.



Kelley Takes On Business In Barbados

INDIANA UNIVERSITY'S

Kelley School of Business in Bloomington has been awarded a US\$1.35 million, three-year grant from the U.S. Agency for International Development and Higher Education for Development to help the Caribbean nation of Barbados stimulate the creation of new companies there. The Barbados economy has typically relied on tourism and sugar cane production, but both industries have suffered in recent years; new business startups are seen as one answer to economic problems.

The Kelley School's new Institute for International Business (IIB) will administer the grant. Faculty in the Kelley School and its Johnson Center for Entrepreneurship and Innovation will work closely with colleagues at the University of the West Indies' Cave Hill School of Business to develop a comprehensive entrepreneurship program for MBAs, as well as other initiatives.

Among the Kelley School's short-term goals are helping the Cave School establish an entrepreneurship program within its MBA program, helping it create a diploma program geared to high school graduates who want to start a business within a year, creating a certificate program with tailored instruction for people who have already started a busi-



ness, creating internships and mentoring activities for students, and preparing case studies about Caribbean companies.

"Barbados has very strong national goals to be a leader in entrepreneurship in the next five to ten years," says Bruce Jaffee, IU professor of business economics and public policy and director of the IIB. "We very quickly can accelerate the Cave Hill School's development and have a significant impact on institution building and curriculum development, ultimately spurring entrepreneurship activity in the region."

The Kelley School and the IIB also are launching initiatives designed to help women in developing countries become more self-sufficient. Through the new Global Women's Economic Empowerment initiative, the school is partnering with the World Federation of Direct Selling Associations on a philanthropic project that will teach women how to start and sustain their own microventures.

Partnering In the Americas

FOUR GRADUATE business schools in North and South America are partnering to offer a new two-year MBA program for international executives starting in August 2011. Schools participating in the Americas MBA for Executives program are FIA Business School, Fundação Instituto De Administração, São Paulo, Brazil; ITAM, Instituto Tecnológico Autónomo de México in Mexico City; Simon Fraser University, Beedie School of Business, Vancouver, British Columbia; and Vanderbilt University's Owen Graduate School of Management, Nashville, Tennessee.

During the program, students will study management issues in each of the four largest economies in the Americas. "Free trade has opened exciting new opportunities throughout the Americas in recent years," says Tami Fassinger, Vanderbilt's associate dean of executive programs. She believes companies are moving from "distinct divisions in North America and Latin America to a comprehensive Americas approach."

Each school will assemble up to 15 students, who will remain at their home schools for their first years, attending executive or part-time MBA programs. During the second year, students from the four schools will be grouped into cross-country study teams to complete global capstone strategy projects as they rotate to each campus.

Each school will offer programming that draws on its core strengths. In Canada, MBA candidates will take on cross-cultural communications, human resource management, and business strategy; in Brazil, they will focus on sustainability, global markets, and base-of-the-pyramid product development. In Mexico they will learn about international trade and family-owned businesses, and in the U.S. they will study how to launch new ventures and nurture innovation.

Classes and coursework will be in English, though applicants with foreign language skills and international business experience are preferred. Students who complete the program will receive a joint Americas MBA, in addition to the degree conferred by their home schools.



'Collaboratories' Redefine Executive Education

WITH THE GOAL of creating a new kind of action-based education program for working businesspeople, North Carolina State University's Poole College of Management in Raleigh has developed a new name and approach for its executive education programs.

The school's Business Collaboratories will function as business clinics, each with a cross-disciplinary team of faculty and subject matter experts who work collaboratively with a company's business leaders. Together they will address a wide range of challenges, such as technology evaluation and commercialization, new product and service development, supply chain operations, enterprise risk, and organizational behavior.

According to Paul Mugge, executive director of the program, Business Collaboratories will provide an alternative for companies that may have been shying away from traditional executive education programs because they could not identify an immediate return on the investment. Dan McGurrin, director of Business Collaboratories, notes, "The market is telling us companies need more from their academic partners. Business leaders need access to research and learning methods that challenge their business models, innovate processes, and help implement change."

Business Collaboratories brings together multidisciplinary faculty from the school's Biosciences Management Initiative, Center of Innovation Management Studies, Enterprise Risk Management Initiative, Supply Chain Resources Cooperative, and Technology Entrepreneurship Commercialization Initiative. It also involves students in the MBA and Master of Global Innovation Management Studies programs at the college's Jenkins Graduate School.

SHORT TAKES

NEW APPOINTMENTS

■ **Michael Ginzberg** is the new dean of the Kogod School of Business at American University in Washington, D.C. He follows retiring dean Richard Durand, who served the school as the Robert and Arlene Kogod Dean since 2005. Ginzberg was previously dean and professor of management and information systems at the Sy Syms School of Business at Yeshiva University.



dean of the Joseph M. Bryan School of Business and Economics at The University

of North Carolina at Greensboro. Banks is a professor of entrepreneurship and former management department head at Worcester Polytechnic Institute. Banks succeeds **James Weeks**, who has been dean of the school since 1990.



■ **Cathy E. Minehan** has been named the new dean of the Simmons College School

of Management in Boston, Massachusetts. She begins her tenure August 1. Minehan spent 39 years with the Federal Reserve system, the last 13 as president and CEO of the Federal Reserve Bank of Boston.



■ **Robert M. Dammon**, associate dean of education and professor of financial eco-

nomics at Carnegie Mellon University's Tepper School of Business in Pittsburgh, Pennsylvania, has begun his term as the school's ninth dean. He succeeds **Kenneth Dunn**, who stepped down last December.

■ Starting in September, **Zeger Degraeve** will be the new dean and director of the Melbourne Business School in Australia. Degraeve comes to Melbourne from London Business School, where he was the inaugural holder of the Sheikh Mohammed bin Rashid Al Maktoum Chair for Innovation. He replaces Jennifer George, who is taking a one-year leave before returning in an academic role.

■ **McRae C. "Mac" Banks** II has been named the new

THE GMAT® REPORT



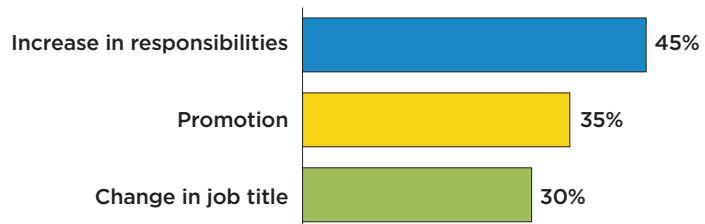
GMAC takes market intelligence to new heights

Recruit Working Professionals

Use data from our graduate and recruiter surveys to show working professionals how an MBA can boost their career.

Careers taking flight

More than a third (37%) of class of 2011 graduates intend to stay with their current employer, and they expect an average salary increase of 39% from pre-degree earnings. The value companies place on b-school talent is seen in other benefits they expect to receive, as well:



Source: GMAC 2011 Global Management Education Graduate Survey of 4,794 recent or soon-to-be graduates at 156 business schools worldwide.

No matter whom you want to attract, we have the data to support your efforts! Explore the newest GMAC interactive research reports and find out how you can customize data to meet your specific needs. Check out the tool at gmac.com/interactiveresearch

© 2011 Graduate Management Admission Council® (GMAC®). All rights reserved. The GMAC logo is a trademark and GMAC®, GMAT®, and Graduate Management Admission Council® are registered trademarks of the Graduate Management Admission Council in the United States and other countries.

GMAC
GRADUATE MANAGEMENT
ADMISSION COUNCIL

■ **Michael R. Cunningham** has been named the dean of San Diego State University's College of Business Administration in California. The founder of Cunningham Graphics International, Cunningham has taught management courses at SDSU since 2005.

■ The University of Southern California's Marshall School of Business in Los Angeles has appointed **William W. Holder** as dean of the Leventhal School of Accounting. He replaces Randolph Beatty, who stepped down at the end of June. Holder holds the Ernst and Young Professorship in Accounting and has directed the USC SEC and Financial Reporting Institute since 1994.

■ **Thomas Begley** has been appointed dean of the Lally School of Management and Technology at Rensselaer Polytechnic Institute in Troy, New York. He was most recently dean of the Business School at University College Dublin.

■ **Blair Sheppard** has been reappointed to a five-year term as dean of the Duke University Fuqua School of Business in Durham, North Carolina.

■ **Brian C. McAllister**, assistant professor of accounting, will serve as the interim dean of St. Bonaventure University's School of Business in New York. It's the third time he has filled that role in his 34 years at the university. He takes over the role after the sudden death of dean John Watson in April.

■ **Xinzhong Xu** has assumed the deanship of Lingnan (University) College, Sun Yat-sen University, in Guangzhou, China. Prior to joining

SHORT TAKES

Lingnan, Xu was professor of finance and senior associate dean of Guanghua School of Management, Peking University. He replaces the retiring Yuan Shu, who served as Lingnan's dean for more than 15 years and who becomes vice chairman of the school's board of trustees.



■ **Paul W. Grimes** has been selected as the next dean of the Kelce College of Business at Pittsburg State University in Kansas. Grimes most recently was the associate dean for instruction and operations for the College of Business at Mississippi State University.

■ **Eugene "Gene" W. Anderson** has been named dean of the University of Miami School of Business Administration in Coral Gables, Florida, effective August 1. Currently, Anderson is senior associate dean for academic affairs and professor of marketing at the Stephen M. Ross School of Business at the University of Michigan. Frances Aldrich Sevilla-Sacasa will continue to serve as interim dean until his arrival.

■ **Geeta Menon** has been named dean of the undergraduate college of the

Leonard N. Stern School of Business at New York University in New York City. Menon is currently the Abraham Krasnoff Professor of Global Business and professor of marketing at the school.

■ **Susan West Engelkemeyer** has been named president of Nichols College in Dudley, Massachusetts, a role she will assume August 1. Engelkemeyer previously held business school deanships at the University of Massachusetts-Dartmouth and Ithaca College.

■ On July 1, **James Danko** becomes the next president of Butler University in Indianapolis, Indiana. Danko was most recently dean of the Villanova School of Business in Pennsylvania.

■ **Adi Godrej** has become the second chairman of the board of the Indian School of Business in Hyderabad, after the previous chairman, **Rajat Gupta**, resigned.

■ The College of Business Administration at San Diego State University in California has named information and decision systems professor **Robert Plice** chair of the college's management information systems department.

■ **Gordon S. Jones** is the inaugural director of the Harvard innovation lab at Harvard University in Boston, Massachusetts.

■ **Kai-Alexander Schlevogt** has joined the St. Petersburg State University's Graduate School of Management in Russia as professor of strategic leadership and director of the St. Petersburg-HEC Paris Dual Degree Executive MBA Program.

■ **George H. Zanjani** has been named inaugural holder of the American Association of Managing General Agents (AAMGA) Distinguished Chair in Risk Management and Insurance at Georgia State University's J. Mack Robinson College of Business in Atlanta. The AAMGA Distinguished Chair is funded by a US\$1 million gift from members and associate members of the association.

STEPPING DOWN



■ **William C. (Curt) Hunter** will retire as dean of the University of Iowa's Henry B. Tippie College of Business in Iowa City at the end of the 2011–2012 academic year. Hunter came to the Tippie College in July 2006 from the deanship at the School of Business at the University of Connecticut. Under Hunter's deanship, the

school expanded its global presence at the graduate and undergraduate levels, adopted a new business model for its international EMBA program in Hong Kong, and revamped its full-time MBA program in Iowa City.

■ **Yash Gupta** is stepping down as dean of Johns Hopkins University's Carey Business School in Baltimore, Maryland, effective June 30, to become CEO of SDP Telecom in Montreal, Canada. Gupta was the first dean of the Carey School, which was launched in 2007. He was instrumental in securing its full-time faculty and administrative team, as well as establishing its inaugural programs. Executive vice dean Phillip Phan will serve as interim dean while a search for Gupta's replacement is under way.

NEW PROGRAMS

■ The **University of Miami** School of Business Administration in Coral Gables, Florida, has announced a new Spanish-language Global Executive MBA program designed for senior business executives doing business in Latin America. The program is an expansion of the school's MSc in professional management/executive MBA program. The Global EMBA program consists of seven



two-week sessions taught over 18 months. While the majority of the courses will be taught by University of Miami faculty on the main campus, one international study module will include a trip to Spain.

■ The **West Virginia University** College of Business and Economics in Morgantown is phasing in a PhD program in business administration, starting with a management major that will be launched this fall. Next year, the doctoral program will add majors in accounting, finance, and marketing.



■ **Singapore Management University** is collaborating with **Università della Svizzera Italiana** (USI) in Lugano, Switzerland, to launch a master in communication management program. USI runs a corporate communication program in partnership with the Anderson School of Management at the **University of California** in Los Angeles. The yearlong program will begin next February and include study modules in Singapore, Lugano, and Los Angeles.

■ **Reims Management School** in France has announced a new certificate program in Islamic banking and finance, held in partnership with the International Centre for Education in Islamic Finance in Kuala Lumpur, Malaysia. The program, which is taught in English, will be coordinated by finance professor Ghassem Bouslama and include contributions from representatives from the Central Bank of Malaysia, the Paris and London Stock Exchanges, and the principal Islamic banks of Bahrain and the United Arab Emirates.

■ This fall, the Anderson Graduate School of Management at the **University of California in Riverside** will launch a new PhD program in marketing and management. The interdisciplinary program will include classes from other departments such as psychology, sociology, and statistics.

■ The **University of San Diego** School of Business Administration in California is creating a new Undergraduate Leadership Development Program to help instill ethics and values in its students. The program will be partially supported by a gift from leadership experts Margie and Ken Blanchard, who will be funding the Margie and Ken Blanchard Leadership Forums.

SUCCESS HAS A NEW ADDRESS NINTH & BREVARD, TO BE EXACT.

Ambition meets opportunity this fall when the Belk College of Business moves into UNC Charlotte's new Center City campus. This state-of-the-art facility in Charlotte's vibrant business core will be home to the Belk College's graduate programs, including the MBA, Master of Accountancy and MS in Mathematical Finance. By building partnerships that connect the business community to our students, faculty and alumni, we're committed to playing a vital role in the future of our region.



UNC CHARLOTTE

BELK COLLEGE *of* BUSINESS

belkcollege.uncc.edu



SHORT TAKES

■ The Graduate School of Management of **St. Petersburg University** in Russia has launched a corporate program called “Effective Company Management” with oil company JSC ANK Bashneft. The central module of the program is “Decision Base,” a business strategy simulation that helps participants learn to coordinate among departments, evaluate the impact of each business discipline, and improve the decision-making process.

■ This April, the Rollins MBA at **Rollins College** in Winter Park, Florida, launches the Crummer Graduate Certificate in Advanced Entrepreneurship. The certificate program, also known as the Rollins Business Accelerator, is designed for executives with growth-stage companies.

■ **Samford University’s** Brock School of Business in Birmingham, Alabama, has added two concentrations to its MBA degree. Beginning this summer, students will be able to focus their studies on either entrepreneurship or international business by taking an additional elective beyond the two required for the degree.

■ The Albers School of Business and Economics at

Seattle University in Washington is launching the Health Leadership Executive MBA program this fall. Tailored toward mid- to senior-level managers and clinicians, the 21-month program offers a specialized leadership curriculum for executives in the healthcare industry.

■ **HHL–Leipzig Graduate School of Management** in Germany has announced changes to its full-time MSc program. Starting in 2012, the school will enroll students both in March and in September. Also, within the two-year program, the school will integrate not only a study abroad program at one of HHL’s more than 100 partner universities, but also an internship where students can meet corporate contacts and find job opportunities.

HONORS AND AWARDS

■ Two faculty members of the University of Texas at San Antonio’s College of Business recently received 2011 Federation of Business Disciplines Outstanding Educator Awards. **Lynda de la Viña**, dean of the UTSA College of Business and Peter Flawn Professor of Economics, received the award from the Southwestern Society of Economists. **Lalatendu Misra**,



chair and professor of finance at UTSA, received the award from the Southwestern Finance Association. De la Viña also was named one of the Most Powerful and Influential Women in Texas by the National Diversity Council.

GRANTS AND DONATIONS

■ The Anderson School of Management at the **University of California in Los Angeles** today has received a US\$25 million gift—the largest in the school’s history—from longtime supporters John E. and Marion Anderson. In recognition of their first gift in 1987, the school was named the John E. Anderson Graduate School of Management. The current gift brings to nearly US\$42 million the amount donated by the Andersons, who are president and vice chairman of Topa Equities.

■ **Bloomsburg University** in Pennsylvania has received a US\$1.67 million gift from alum Terry Zeigler and his wife, JoAnn, to finance the Zeigler Institute for Professional Development (ZIPD) within the university’s College of Business. Terry Zeigler is president and CEO of Data-cap Systems.

■ Sovereign Bank, a part of Banco Santander, has signed a three-year agreement with **Bryant University** in Providence, Rhode Island. The bank will be supporting the university’s Sophomore International Experience program, which allows second-year students the opportunity



to participate in international study. Sovereign Bank will provide the money through Santander Universities, Banco Santander’s initiative to support higher education.

COLLABORATIONS

■ The College of Business Administration at the **University of Tennessee, Knoxville**, is launching the Global Supply Chain Institute. It will bring together the school’s various supply chain programs, international network of industry and university partnerships, and faculty expertise. Housed in the college’s Center for Executive Education, the Global Supply Chain Institute will include four global and domestic industry forums; a one-year EMBA program in global supply chain management, debuting in 2013; nondegree courses

and certifications; undergraduate, graduate, and PhD programs that focus on supply chain management; and worldwide industry partnerships.

■ **Georgetown University's** McDonough School of Business in Washington, D.C., and the **ESADE Business School** in Spain are building on their joint Global Executive MBA program to form a broader alliance. The agreement includes a new ESADE-Georgetown Global Management Research Initiative, with centers located in Washington and Barcelona. The schools will develop executive degree and certificate programs utilizing the format of the Global Executive MBA, which offers the program's six sessions on four continents.

■ The Lorry I. Lokey Graduate School of Business and the School of Education at **Mills College** in Oakland, California, are collaborating on a joint degree in educational leadership. The MBA/MA program will prepare future managers, entrepreneurs, and educational consultants to handle both the instructional and managerial aspects of high-performing educational organizations.

■ The **University of Texas at San Antonio** (UTSA) College of Business launched a Global Venture Competition with the **Universidad de las Palmas** in the Canary Islands this June. The technology entrepreneurship competition paired ten UTSA students with technology students from the Canary Islands. The UTSA students wrote business plans for the commercialization of a technology prototype developed by the Canary Islands students. The winners of the five-day competition will have access to a start-up package for their proposed company.

■ The **University of Texas at Austin** has received a US\$5 million commitment from Dell for its RGK Center for Philanthropy and Community Service at the Lyndon B. Johnson School of Public Affairs. The money will be used to build upon the Dell Social Innovation Competition.


OTHER NEWS

■ In April, the **Stanford Graduate School of Business** in California opened the Knight Management Center, a collection of eight environmentally friendly buildings constructed around three quads. The

360,000-square-foot facility is expected to achieve a platinum rating from the U.S. Green Building Council's LEED (Leadership in Energy and Environmental Design) program.

■ The College of Business Administration at **San Diego State University** in California has opened its Graduate Business Career Management Center, which provides career counseling and opportunities to SDSU graduate students.

■ This spring, **EDHEC Business School** of France inaugurated its executive campus in London. The campus will house the EDHEC-Risk Institute-Europe and provide facilities for programs such as a PhD in finance management and an MSc in risk and investment management.

■ The Rollins MBA program at **Rollins College** in Winter Park, Florida, is now accepting the Graduate Record Exam (GRE) for admissions. **Educational Testing Service** (ETS) of Princeton, New Jersey, announced that the GRE General Exam is accepted by the MBA programs at more than 500 business schools worldwide. 

BE MORE THAN A LEADER. BE AN INFLUENTIAL LEADER.

> **Don't settle for just success in your career. Become influential and make the world a better place.**

Regis University's School of Management does more than prepare the adult learner for a successful career in business. But it also teaches a rigorous core curriculum that provides the critical thinking and problem-solving skills you need to become a responsible leader. The type of leader who creates solutions that make a difference.

You'll change your life and change the world. And your career will never be the same again. **Experience the power of influence.**



BE INFLUENTIAL.

> **1.800.680.3701**
> **CPS.Regis.edu/beinfluential**
COLORADO · NEVADA · ONLINE

 **Read more online**



Career Services Finds Its Way

Career development offices are navigating the post-recession hiring maze by finding new ways to satisfy more demanding employers and readjust the great expectations of the Millennial generation.

by **Tricia Bisoux**

MBA students entered their programs in 2007 thinking that the jobs—and salaries—of their dreams awaited them upon graduation. Imagine their surprise when the markets crashed, the economy foundered, and the jobs they'd anticipated vanished. In 2009, the U.S. experienced the greatest slowdown in new hires since the 1982 recession. According to the International Monetary Fund, the global economy shrank for the first time since the Great Depression.

Now imagine being a business school career counselor, tasked not only with finding job openings for students when recruiters had all but disappeared, but also with bringing students' high expectations quickly—and abruptly—down to earth.

Students and counselors alike quickly had to come up with Plan B, says Pam Stoker, assistant director of the graduate career center at Texas Christian University's Neeley School of Business in Fort Worth.

"Students asked us why employers weren't coming to campus. And we answered, 'Haven't you read *The Wall Street Journal*?'” says Stoker. “These students were still denying that the financial collapse would affect them. But reality came crashing down on them when they started attending career fairs and weren't seeing the employers there.”

But the downturn had at least one upside, according to many career service directors. The tough times inspired many career offices

to step up their games. “The events of 2008 really pushed career services to think more creatively about ways to engage employers and students,” says Susan Brennan, director of career services at Bentley University in Waltham, Massachusetts. “We let students know that the days when they could sit in their dorm rooms in their pajamas and look for jobs on their computers are over.”

During the recession, many in career services also cast a wider net to approach a more diverse set of employers, says Kip Harrell of Thunderbird Global School of Management in Glendale, Arizona. “We had been in a ‘pull’ mode where recruiters would knock on the door and schedule visits,” he says. But after the crisis, he and his colleagues went into full-on “push” mode. “We were the ones knocking on doors,” he says.

In many cases, career counselors have found that their new guerrilla tactics have made them more

resilient, more creative, and ultimately more effective. Now that the economy is turning around, these more hands-on strategies are serving them well when it comes to getting students engaged, excited, and ultimately employed.

Operation Outreach

When companies stopped beating down business schools' doors for new hires, career development offices had to start approaching employers that weren't traditionally recruiters of MBAs, says Karen O. Dowd, executive director of the graduate career services and corporate engagement office at the University of Denver's Daniels College of Business in Colorado. “Offices began to reach out in a more concerted way to small- and medium-sized companies, to regional players, to healthcare, not-for-profit, higher ed, and government.”

“Our targets were different,” agrees Harrell of Thunderbird. “We weren't just approaching Fortune 250 companies anymore.”

As students began to consider a broader range of career opportunities, they also started to think about why they enrolled in business school in the first place.

This was especially true for students who had planned to enter the financial services industry, where the jobs were most scarce. “Was it just for the money? That's not a good enough reason,” says Dowd. “They had to take stock of themselves and be more open to other opportunities.” That kind of soul-searching has been a positive for business schools and business students alike, because it helped students make sure they were in their programs for the right reasons.



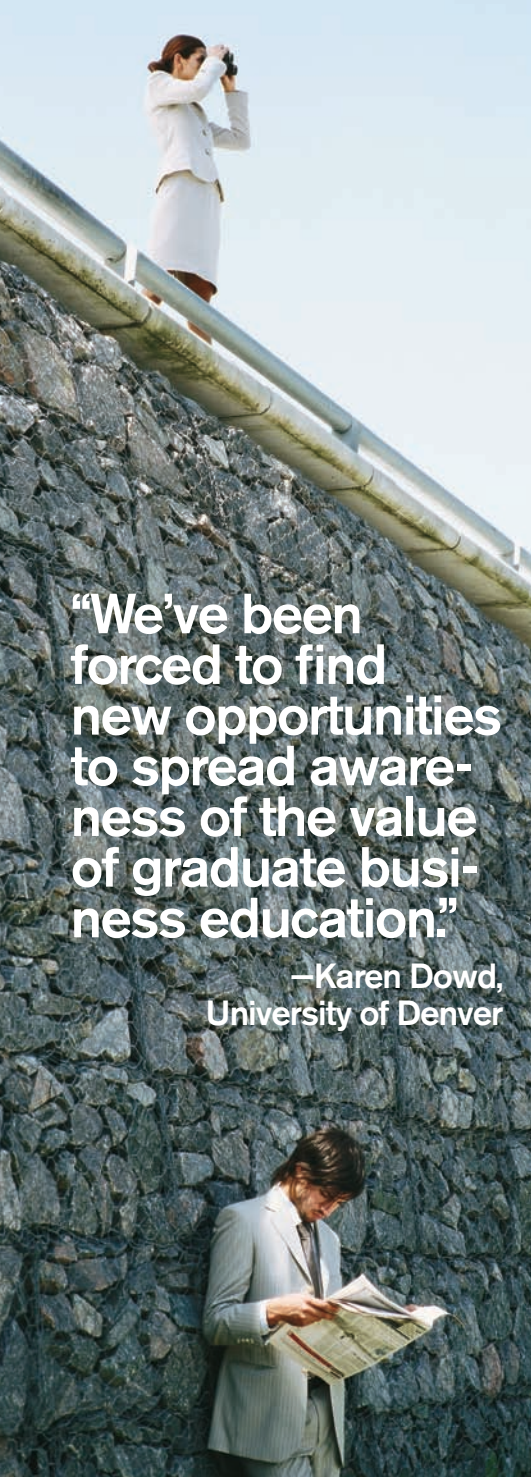
Idea: A Four-Stage Approach

Bentley University created its HIRE Education program to ensure that its undergraduates receive individualized career development. HIRE is delivered in four stages: Explore, Experiment, Experience, and Excel. In each stage, students must perform the items on a

checklist. In Explore, freshmen participate in self-assessments, career advising appointments, and career exploration activities such as “Success in the City,” in which faculty take students on daytrips to New York City to learn more about a company's culture.

In the Experiment phase, sophomores research companies, conduct informational interviews, and choose their majors. In Experience, juniors complete internships; and, in Excel, seniors fine-tune their résumés and interview skills and prepare to transition from the classroom to the workplace.

The school hired a full-time freshman advisor, who is “the gateway” to the rest of the program, says Susan Brennan. “Students can't declare their majors until they meet with the advisor and go through their checklists,” she says. “That step prepares them for the entire process.”



PHOTOALTOPREMIUM/GLOW IMAGES

“We’ve been forced to find new opportunities to spread awareness of the value of graduate business education.”

**—Karen Dowd,
University of Denver**

But schools in larger metropolitan areas have had an easier time in this respect, compared to schools that have had a more local or regional reach. After the economic downturn, regional schools upped their engagement activities with alumni, advisory board members, corporate partners, local executives, community organizations, and even the parents of their students, says Dowd.

To boost its corporate relationships, the Neeley School created the Neeley Connection, a monthly roundtable discussion. Each discussion is held at one participant’s company, which presents a case study of a problem. MBA students also attend the meeting dressed in business attire; they take 20 minutes to break into teams and propose their own solutions for the presenting organization. “The companies get free MBA analyses and our students gain visibility,” says Stoker.

The London Business School also stepped up its efforts to network with employers. Two years ago, it launched its “Get Connected” campaign, which takes advantage of the “six degrees of separation” rule—the concept that everyone is connected to everyone else through no more than six contacts. LBS career services asked everyone on campus to provide their connections. “We felt that there was someone in everyone’s network who would like to hire an LBS graduate,” says Fiona Sandford, director of career services for London Business School in the United Kingdom.

The campaign was so successful in connecting LBS graduates to jobs, the school continues that approach today. It even has created a “Get Connected” page at www.london.edu/theschool/getconnected.html, where employers can find recruiting information and anyone can fill out a form to share job leads.

Social Media Savvy

For years, career counselors have been touting the importance of networking to students. But perhaps for the first time, students are getting the message. “They’re

Idea: A Day In the Life

In 2009, TCU’s Neeley School of Business offered any company that had posted a position, attended a presentation, or participated in an event over the last two years an “MBA for a Day.” Although some companies were wary, because they had no jobs available, most companies agreed. Some hosted several students

to shadow executives or go on field visits. Neeley staff coached students as they would for any job or informational interview. Students researched the companies online and learned more about the people they would be meeting.

At the end, some students were offered positions. One company created an internship for a student whom it had interviewed the previous summer, but turned down. Neeley now holds its “MBA for a Day” event every spring.



finally realizing that 80 percent of jobs really do come from networking,” says TCU’s Stoker. Because much of that networking today starts with social media, the Neeley School’s career services office offers an annual course to teach students how to use LinkedIn most effectively as a springboard for their personal networking efforts.

Career services no longer can communicate with students via a single medium—print or e-mail or Facebook or phone calls—and be effective, says Stoker. By employing multiple communication strategies, counselors can be sure to reach every student with at least one.

Stoker learned that lesson a few

years ago, when she could not get a recent graduate to return her phone or e-mail messages. “Finally, one of my student assistants asked me, ‘Did you try him on Facebook?’” She sent a message to him through his Facebook account, and he responded within five minutes. “That was an ‘aha’ moment for me, when I realized that I need to reach out to them wherever they are.”

Just as students must learn to better leverage social media, so must career counselors. Today, if information isn’t broadcast to students over social media outlets, many will never receive it, says Harrell of Thunderbird. “So many different things are fighting for the attention of Millennials,” he says. “For that reason, we’re taking announcements that normally would have been offered through our weekly newsletter or our in-house job posting and application system and pushing them out through social media.”

Thunderbird has hired a full-time employee to communicate career news to students through Facebook, Twitter, and LinkedIn. She sends out six to eight tweets a day, just to make sure students don’t miss an opportunity, Harrell says.

But even so, Facebook can’t replace face-to-face communication for getting to know students as individuals, says Sanford of LBS. “We’re not relying solely on social media, because we find it’s more effective to meet students for coffee for ten minutes,” she says. “They nearly die of shock when the director of career services calls them out of the blue.”

Harrell agrees that as important as social networking has become, it never will replace personal interactions. “As career service profes-



Idea: A Week of Recruitment

During the ninth week of its fall semester, Thunderbird Global School of Management offers Career Week, during which regular courses and exams are suspended. The career office conducts job search workshops and provides guest speakers, including immigration attorneys who can help international students find work in different countries. Employers visit campus for a career fair and interviews.

“Arizona is not a big destination for major recruiters, so we condense the recruitment process to one week,” says Kip Harrell. “Companies take three days to share company information and gather student résumés. Then they make their selections and conduct interviews at the end of the week.”

sionals, we must keep up with new media to make sure our students get the information, but one-on-one work still must be done via e-mail, telephone, and in-person contact. You can’t counsel someone through Twitter and Facebook.”

From Counselors To Consultants

These outreach efforts have had an unexpected side effect—one that career services directors don’t always relish. Some employers now view them not only as career facilitators, but also as hiring consultants and headhunters.

Harrell of Thunderbird has seen a significant uptick in companies that ask his office to help with the selection process. “They’re asking us to choose the top eight or ten people who will match a position, but they don’t want to post the job,” he says. “That’s problematic because we want to represent all students equally. We believe it’s up to students to succeed or fail.”

Not to mention that providing selection advice can prove time-consuming and place career counselors in difficult positions. They want to conserve their resources, but they don’t want to jeopardize the relationships with employers they’ve worked so hard to create.

On the other hand, there could

be a positive side to this trend, says Deanna Fuehne, executive director of the career management center at the Jones Graduate School of Business at Rice University in Houston, Texas. “I see us as consultants,” she says. “I want companies to come to us to ask us about MBAs and how to recruit them. I want to help them start thinking about hiring MBAs.”

To encourage the involvement of companies that don’t traditionally hire MBAs, the career management center at the Jones School invites those companies to participate in low-commitment interactions with students. For example, the school conducts action learning projects, which require all first-year MBAs to work for a semester with Houston companies, including smaller firms and startups. That’s a free service to companies, but more important, says Fuehne, it’s a preview of what MBAs can accomplish.

“I once spoke to an executive at Waste Management who told me they don’t hire MBAs because they couldn’t afford them. But I’ve worked with them for years to show them why they should reconsider,” says Fuehne. “They need to know that MBAs are important—they don’t necessarily need to hire them from us.”

Getting Past 'Phone Fear'

Career services' new emphasis on outreach extends to students as well. Students now are given more training in networking, elevator pitches, and conversation. At Thunderbird, says Harrell, students are coached in the art of cold calling.

The Neeley School also is putting an emphasis on training students to sell themselves and their skills to employers over the phone. But this emphasis has brought to light an unexpected problem among today's Millennials: "phone fear." While students of this generation may never be without their cell phones, they rarely use them to *talk*, says Stoker.

"These students text and use social media so much, they're used to collecting their thoughts before blurting something out. They've either missed or lost the skill of telephone conversation," says Stoker. "I'm seeing this more and more, and not just in 18- to 22-year-olds. I'm also seeing it with experienced professionals who are 28 to 33 years old."



Stoker has found it increasingly necessary to help students overcome phone fear and improve their telephone personas. For example, Stoker worked with one international student who did not want to call employers because he wasn't comfortable holding a phone conversation in English; she helped him write and practice scripts for different situations so he would gain confidence on the phone. She helped another student, who had been an actor in the past, to think of phone conversation like scripted dialogue in a play. She recommended *The Play of Your Life*, a career coaching book by Colleen Sabatino, to help him through the challenge.

"Every year I find that I have to be a life coach as well as a career coach, to help students see what missing piece is holding them back. And every year, we find that piece is changing," she says. "We have to tweak our approaches to suit different groups of students. It's probably one of the biggest challenges we face."

Careers in the Curriculum

In today's market, job seekers need more than telephone etiquette to land positions. They need to present well-rounded personas. "Recruiters are asking for students with communication skills, emotional intelligence, the whole package," says Sandford of London Business School.

Harrell of Thunderbird agrees that career services has become much more about developing students as people, not just prospects. "Look at any GMAC survey over the last ten years and you'll find that recruiters are putting more and more weight on communica-

tion and interpersonal skills." For that reason, Thunderbird is planning to offer intensive communication boot camps designed to help students improve their confidence and poise in social interactions. Included will be assessments and exercises to help non-native English speakers improve their enunciation and confidence during interviews.

Designing such expanded programs in career development was "unheard of just a few years ago," says Dowd of Daniels College. But today, formal courses are becoming necessary to ensure students will meet employers' expectations.

This fall, Daniels College is

Idea: A Sit-Down With Students

This spring, London Business School launched "Spring into Action," a campaign to connect with its own students. All 30 staff members of the LBS career



services office spent the week holding one-on-one meetings with each and every student.

"We wanted to make sure we knew where in the world they wanted to work, what they were looking for, what their Plan B was. Then, we assigned each one a career services representative to act as an advocate who'd make sure they were getting the right coaching with the right people," says Fiona Sandford. "We realize that we can only help students if they talk to us."

Trends in Career Placement

Career services directors are undoubtedly relieved to have survived the last tumultuous two years. Even so, the economy is still top of mind at many schools. “Even with the economy coming back, there will be a trickle-down effect,” says Kip Harrell of the Thunderbird Global School of Management in Glendale, Arizona. “The top 15 or 25 schools will be the first to see a recovery. It’s still taking a while for the next-tier schools to see the recruiters return.”

Besides having concern over the economy, these directors point to several significant trends that promise to shape their strategies over the next few years:



Growth in distance learning. Faculty have had a few years to become accustomed to students’ demand for 24/7 access to their professors and advisors via Facebook and e-mail, but that expectation is now extending to career services as well. “The growth of distance learning programs and programs serving working professionals means that all career services offices are going to have to adapt by making themselves available in the evening and on weekends,” says Harrell.

Changes in immigration laws.

Today, career development offices are serving more international students than ever before. That’s a good thing, because diversity provides a richer experience for all students and a greater talent pool for employers. But it presents a challenge to career services, says Karen Dowd of the University of Denver Daniels College of Business in Colorado. “We have to work harder to develop career opportunities for talented international students who are unable to obtain the authorization they need to work in the U.S.”

The recession hasn’t made matters any easier in the U.S., where competition for jobs has been fierce, says Deanna Fuehne of Rice University’s Jones Graduate School of Business in Houston, Texas. “I need to find companies willing to sponsor our international students for employment in the United States. Before the downturn, for example, many of our Asian students could find employment in the financial industry. But that’s now much harder, because how could companies justify paying a new Chinese MBA \$100,000 when so many people in that industry are out of work?”

In the United Kingdom, legislation was recently passed to crack down on those who used student visas to enter the U.K. to work, not to study. As proposed, the legislation promised to limit the number of student visas granted, restrict students’ ability to work in the U.K., and raise standards of English proficiency. These proposed changes caused great concern at London Business School, which campaigned against the legislation, says Fiona Sandford.

The legislation passed, but with the allowance that students sponsored by institutions seen as “Highly Trusted” by the U.K. Border Agency still have privileges to work in the country. “We were pleased when we learned of the actual reforms, because they will give our students a competitive advantage if they want to stay in London,” says Sandford.

Budget constraints. At many business schools, career services offices are being asked to expand their services at a time when resources are strained, says Dowd. “We’re seeing a lack of resources to offer custom personal service to segmented student groups. No longer are we serving only traditional MBA students—we’re also serving one-year students, part-time students, executive MBA students, international MBA students, master of accountancy students, and graduates of specialized master programs,” she says. “Most schools also have revamped to provide expanded services to alumni.”

Millennial expectations. A main part of a career counselor’s job is to manage student expectations from the start, says Susan Brennan of Bentley University in Waltham, Massachusetts. Because many of these students have performed admirably in class and completed one or two internships during their undergraduate careers, Millennials often feel as if they have earned the position of their dreams after graduation, she says.

“They came into school with a trophy mentality—with the idea that ‘everyone’s a winner,’” says Brennan. “But the economy helped them learn resilience. We help them balance their desire to find their passions with practical realities.

“I often tell our first-years that I’ve read all of their admissions essays, so I know they all want to be consultants at McKinsey or brand managers at Procter & Gamble or investment bankers at Goldman Sachs. But the funny thing is, none of them know what that actually means! Over two years, I help them explore the skill sets required for those positions to see if that’s what they really want to do,” says Brennan. “My job is to create good alumni.”



Idea: A Different Kind of Job Hunt

As part of its Immersion Experience, Rice University's Jones School sends students out on a scavenger hunt in which students are given a list of CEOs and Jones alumni at Houston companies. Students must visit each CEO on the list and ask him or her to sign a copy of the company's last financial statement. It's a way for students to have a low-stress chance to speak with these business leaders, says Deanna Fuehne.

launching its Daniels Career Management Program. "We start with students before they arrive on campus, work with them in a concerted way during orientation, assign them coaches, and offer programs throughout their one- or two-year time with us," says Dowd. "We assist them in moving through the natural stages of career planning and job search that everyone goes through multiple times in their lives." The program also is open to alumni, and the most relevant content will be made available online.

Other schools are going a step further—offering required courses for credit. After all, students place priority on activities that count toward their degrees. Without the motivation of a grade, students often put their own professional development on the back burner, says Stoker.

That was once the case at Neeley, where students could opt out of career workshops at the beginning of their programs. If they didn't sign opt-out forms, the workshops were required, Stoker explains. But under the system, she says, it was a struggle to remind students of their commitment.

The school addressed the issue by launching its first for-credit career development course in the fall of 2010. In just its first offering, the course "has transformed the rest of the year for us, because students took it so seriously," says Stoker. Held in the first eight weeks of the fall semester, the course provides a solid foundation for career development work the students complete during the rest of their programs. In the future, the course will be tweaked to make time for even more

activities, including blocking out an entire week so that students can plan trips to Wall Street.

To avoid crowding students' fall schedules, the Jones School launched a summer online professional development program two years ago. Running from the beginning of June to mid-July, the course must be completed by all incoming first-year MBAs before they come to campus. As part of the course, students develop résumés and cover letters, reach out to alumni to ask questions about different industries, and write essays about their career aspirations.


When students arrive in August, they already have their professional portfolios in place. That allows them to focus on the deeper, more intangible elements of the career development process during their programs, says Fuehne. She plans to make the online program available via apps for the iPad and iTouch, to make it even more accessible to students.

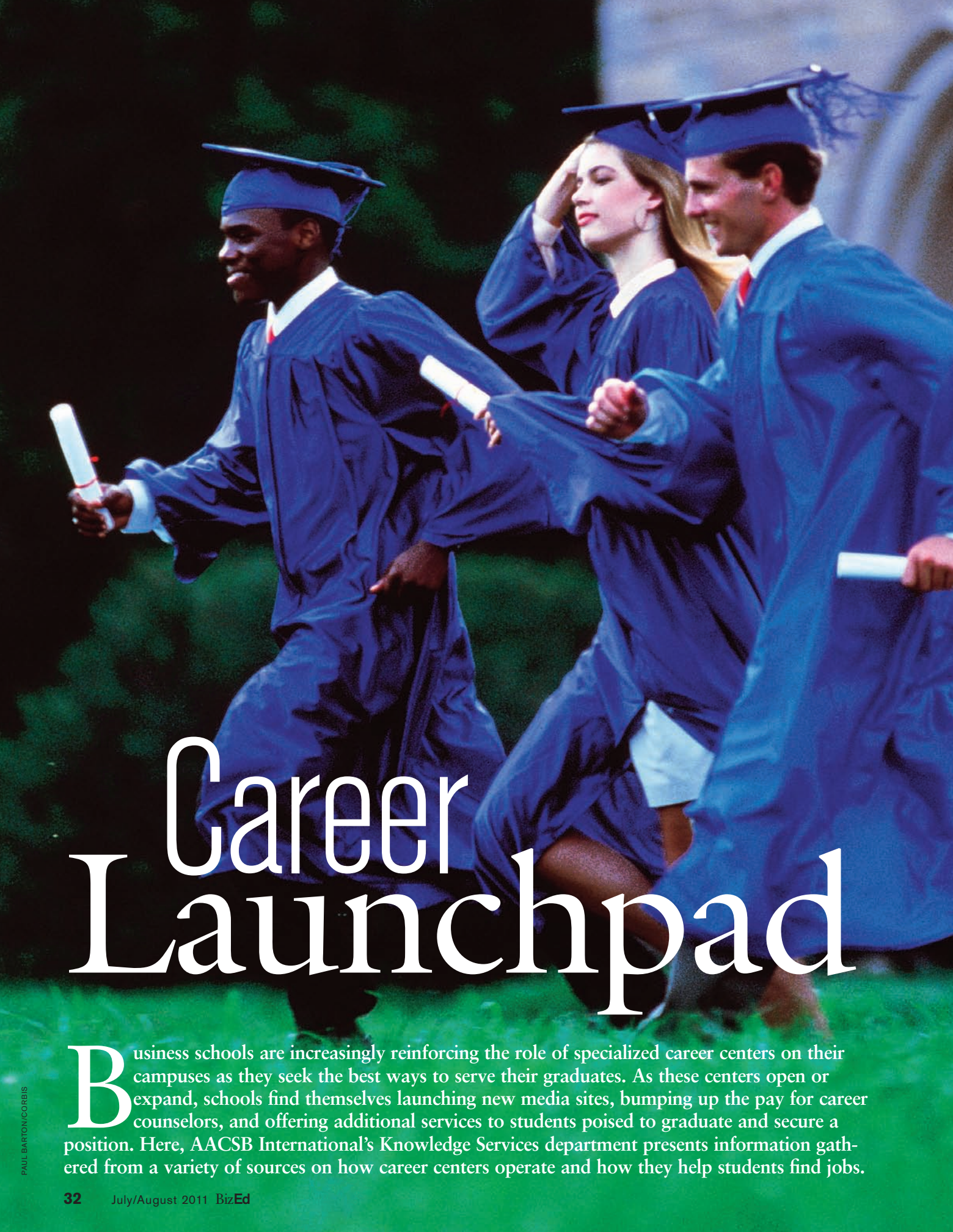
'The Next Stage'

According to these career services directors, the hiring outlook for their students has improved, which has resulted in more job postings and internships and higher placement rates overall. For example, students in Bentley's classes of 2009 and 2010 have had placement rates of 98 percent and 99 percent, respectively, six months after graduation.

Bentley hopes to keep those rates high among alumni long after they graduate, says Brennan. "We've implemented a strategy to stay in touch with alumni to make clear that we are offering lifelong career services," she says. Staying in touch in this way helps both new grads and alums, she emphasizes. By using resources such as LinkedIn, alumni can keep the school apprised of open positions at their companies and take advantage of career services when they seek new positions themselves.

"Ultimately, I see this time as the next stage in the development of business schools," says Dowd of Daniels. "The economy has forced us to find new opportunities to spread awareness of the value of a graduate business education."

Banks, consulting firms, and Fortune 500 companies have known about this value for a long time, but because of the economy, career services offices have been encouraged to spread the word to startups and other small businesses, say Dowd and her colleagues. Plus, the down economy has proven to be an opportunity to open students' eyes to a wealth of opportunities that may have otherwise escaped their attention. With broader and more targeted strategies, business schools aren't just getting their students hired. They're showing the world what their graduates—and business education—truly have to offer. 



Career Launchpad

Business schools are increasingly reinforcing the role of specialized career centers on their campuses as they seek the best ways to serve their graduates. As these centers open or expand, schools find themselves launching new media sites, bumping up the pay for career counselors, and offering additional services to students poised to graduate and secure a position. Here, AACSB International's Knowledge Services department presents information gathered from a variety of sources on how career centers operate and how they help students find jobs.

WHAT SERVICES ARE OFFERED?

More than 90 percent of career services offices provide:

- Career counseling by appointment
- Career fairs
- Workshops
- Assistance to students pursuing internships, externships, or co-ops
- Career assessment tools

Center administrators also report that they are moving away from informal drop-in and online counseling to more structured sessions such as counseling by appointment.

(Source: National Association of Colleges and Employers. See www.nacweb.org.)

HOW DO MBAs LOOK FOR JOBS?

66% use the school career services center

70% apply directly to companies

61% turn to networks of families and friends

Graduates rely on multiple sources when they're beginning the job hunt, but more than half do some of their searching through the career center.

(Source: Data for Full-time MBA Program Class of 2011 Graduates from GMAC 2011 Global Management Education Graduate Survey, available at gmac.com/globalgrads.)

WHO HAS A CENTER?

	Undergraduate Programs	Graduate Programs
2010	31.6%	48.6%
2005	18.8%	32.7%

U.S.	21.7%	42.6%
Outside the U.S.	54.7%	83.3%

Public	33.9%	45.8%
Private	26.3%	53.9%

The percentage of AACSB-accredited business schools with their own career services centers has grown significantly since 2005.

(Source: AACSB International Business School Questionnaire.)

WHO'S MAKING WHAT?

2005	\$79,600
2011	\$92,400

The annual salary of a career services director has risen 16 percent in the past six years.

(Source: AACSB International Salary Survey)



HOW DO CENTERS USE SOCIAL MEDIA?

More than **70%** have a fan Facebook page (59% last year)

36% have a Twitter presence (26% last year)

68% offer online counseling

According to the National Association of Colleges and Employers (NACE), career centers increasingly believe that a strong social media presence is a useful complement to placement technologies such as online job posting and online interview scheduling. Facebook and Twitter are frequently used to alert students to job postings and on-campus recruiter visits, facilitate networking among students and alumni, and provide a platform through which students can share experiences and offer advice for seeking and securing a position.

(Source: NACE 2010-2011 Career Services Benchmark Survey for Four-Year Colleges and Universities—Research Brief. See www.nacweb.org/career_services/surveys/, with additional information about the organization at www.nacweb.org.)

THE SCHOOL, THE MISSION, THE BUILDING

A new facility should be designed to build a business school's reputation, reflect its values, and align with its mission.

BY JEFF ZIEBARTH

In the past ten years, about 85 AACSB members have built new facilities or renovated existing spaces, and another 20 or so are currently in the construction or planning stages. It's not surprising that some observers believe there's a "facilities arms race" among business schools seeking to draw attention to their programs, because each impressive new facility that's commissioned by one school raises the stakes for others. Yet the race shows no sign of slowing; administrators understand that students and faculty alike are attracted to state-of-the-art facilities that offer impressive services and ideal spaces for learning.



With its new facilities, constructed over ten years, Duke University's Fuqua School of Business expanded space for faculty and staff and also provided new instructional space and team rooms for students. Shown here is the atrium linking Breeden Hall to the East Fuqua campus. Photo by James West Photography

As a principal with the architectural firm Perkins+Will, I have been closely involved in strategic planning and design of 18 schools of business. I believe that human and physical resources collectively lead to the success of any project and that three key elements must be in place when schools consider investing in a new facility:

Understanding: The faculty and administration must have a comprehensive understanding of the school's brand position and its place in the market.

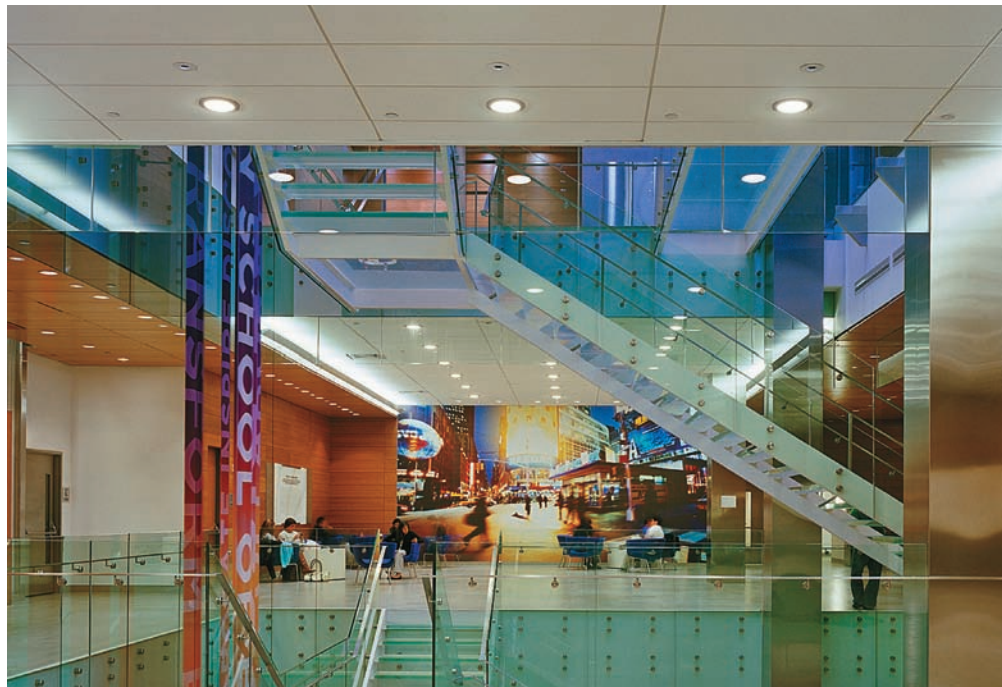
Awareness: The administration must actively support necessary changes in areas that range from pedagogy to organizational structure to brand to curriculum.

Willingness: Stakeholders at all levels of the university must be prepared to implement changes, which might cause uneasiness and present challenges, but which also bring opportunity.

I'm an active proponent of green construction, and I believe it should be considered by all schools whose missions align with sustainability—but I believe the school's mission is what will shape the construction of any new building. For that reason, when I first meet with deans and administrators regarding any need for change in their physical space, I ask several important questions: What is your school's mission? What are your school's values? And how can these be expressed in your new or re-purposed facilities?

Defining the Space

Once a school has committed to constructing or renovating its facilities, its first challenge is to determine its needs. Generally speaking, schools must consider three funda-



At New York University's Stern School of Business, the administration wanted to reinvent the space to support the undergraduate program. This view shows the student lounge area and interior connecting stair. Photo by Eduard Hueber, Arch Photo Inc.

mentally different kinds of activities that serve different imperatives and require different types of spaces:

Delivering courses. Executive education programs, graduate programs, and undergraduate programs often require different sets of rooms, configurations, and physical resources. Most schools also require other academic spaces, such as specialty labs, team or breakout rooms, and research and computer simulation labs.

Supporting students, faculty, and staff. The spaces for these functions usually include small meeting rooms, spacious suites, and large common areas; they might serve academic advisors, career placement counselors, and student organizations. Other typical areas include student lounges, professional development areas, food service stations, conferencing areas, and centers for new initiatives.

Enabling community outreach. To maintain close relationships with the external business community, the parent university, and

alumni, schools need a variety of spaces. These might include assembly areas for conferences and guest lectures, programmable atriums, offices for guest and executive faculty, outreach centers, incubators, boardrooms, and specialty food service stations.

Sometimes the creation of these different spaces can be an ongoing project that takes a very long time. More than ten years ago, we began a long-range plan to redesign the facilities for Duke University's Fuqua School of Business in Durham, North Carolina. The three phases of construction—the last of which was recently completed—reflect different goals of the school. Phase I, which resulted in the Magat Academic Center, addressed the immediate needs of office space for faculty, staff, and admissions personnel. Phase II, the Fox Student Center, established a strong public presence and became a community focus for the school. And Phase III, the Keller Center and Ford Library, provided instructional space, team rooms, and resources.

Gathering the Team

To determine how the new building design will meet its varied needs, the school must have the input and consensus of multiple stakeholders at all levels of the university. A steering committee should be formed to guide day-to-day project activities, define programmatic space needs, and identify critical relationships among departments. Members of the committee should include business school leaders, such as deans, associate deans, department chairs, and program directors; campus leaders, such as the heads of university finance, campus planning, facilities, and technology; and students, who will be the primary users of the new spaces.

Some schools also choose to form an executive committee that consists of the dean, other senior members of the university administration, and external business leaders, such as members of the school's advisory committees. This group ensures that the proposed building design conforms to the school's physical layout, architectural aesthetic, academic master plan, and place in a competitive market.

It will be the responsibility of the steering committee to engage the architectural firm that will design the building. Committee members first will need to answer critical questions about why they want a new or renovated facility. *Are we looking for an iconic space that will be instantly identifiable?* That might lead the institution to engage a world-renowned design firm. *Do we want a firm that is familiar with the overall business school context?* In that case, the school might look for firms that have done work for peer institutions. *Do we want an architect*

Building Up When the Economy Is Down

While the struggling economy has had an impact on all fund-raising activities at business schools, deans and administrators can still plan for new facilities if they take creative approaches to raising money.

- Schools can use sustainable materials and energy-saving systems to offset building costs through new operational efficiencies.

- Schools can take advantage of poor economic times to secure favorable funding bids. For instance, part of the funding cycle for Youngstown State University's new Williamson College of Business Administration occurred during the downturn. But so did the building phase, and the school found construction firms that were eager to do the work. The project moved forward quickly, having a welcome impact on the regional building industry, and the new facility opened in August 2010.

- In fact, schools should garner community support for their new facilities by pointing out that the building projects will boost the local economy. First, the construction itself will create jobs. Second, new spaces within the school could have a direct impact on the region's fiscal health, if these spaces include incubators, which nurture budding entrepreneurs,

and conference centers, which draw together regional business leaders. Schools that focus on retailing, healthcare, marketing, or hospitality might also use their new buildings to aid local economic development in those areas.

- Schools can develop their building plans based on their expectations of future funding. The key to these future-based plans is to accurately and precisely outline why certain features are needed in their new buildings. These details generate interest with potential benefactors who like the idea of sponsoring a particular wing or lab. Not only does this approach make sense fiscally, it makes sense academically, because it requires a school to formally assess its programs and facilities and determine what it needs.

Perkins+Will is currently working with two schools taking this approach, the McCombs School of Business at the University of Texas in Austin and the Spears School of Business at Oklahoma State University. Both are conducting studies that will help them identify specific needs that they can articulate to potential donors. These studies will also help them define their programmatic space needs and align those needs with their missions.



who is already familiar with our campus and understands our overall aesthetic? If so, the committee might choose a firm that has designed buildings for the parent university.

Because schools will be spending months, perhaps years, with the architects they hire, they should make sure the firm is a good match for them. It's critical that members of the steering committee feel confidence in the architects and develop a comfortable working relationship with the design team.

Once a firm has been chosen, it's the architect's turn to elicit information from the steering committee. The firm should be interested in aspects of the school that directly correlate to the school's mission—aspects that go beyond aesthetics, imagery, or architectural expression. Therefore, the architects might ask questions that clarify the school's identity: *What is the signature program that will be the foundation of the school's brand? What special focuses do you rely on to set you apart from your competition? Does your region or your market support any special programming?*

Other questions might zero in on the relationships among the school, the university, and the larger community. *What role does the business school play in the growth strategy of the university? How do b-school programs serve the surrounding business community? How will new initiatives and school growth be supported by the university's resources in faculty, staff, technology, and physical space?*

Three schools that we have

worked with—the Haas School of Business at UC Berkeley, the Stern School at New York University, and the Labovitz School of Business at the University of Minnesota Duluth—were all focused on using their buildings to establish a brand and assert their places in the market. In all of these projects, we discussed how the school's graduate and undergraduate programs were ranked and how new or updated facilities would enhance each program's stature. Yet each one had different ultimate goals.

With the Haas School, the emphasis was on building community within the school. At Stern, work focused on reinventing spaces to support the undergraduate program while simultaneously re-branding the school as a premier institution within

mitment to the principles of sustainable business. Leaders at these schools know that sustainability impacts all aspects of corporate policy, from supply chain management to marketing to retailing across the globe. And they believe that students should learn these crucial elements while studying business within a building that has been sustainably designed.

Therefore, some schools are commissioning buildings that will be certified by the U.S. Green Building Council at silver, gold and platinum levels for LEED (Leadership in Energy and Environmental Design). This means the buildings will meet strict standards for energy savings, water efficiency, carbon dioxide emissions reduction, indoor environmental quality, and stewardship of resources.

When I first meet with deans and administrators regarding any need for change in their physical space, I ask several important questions: "What is your school's mission? What are your school's values? And how can these be expressed in your new or re-purposed facilities?"

the physical context of New York City. At the Labovitz School, which had recently received a naming gift, the goal of the new building was to help position the undergraduate program as a top option within the region. The new building represented the Labovitz School's physical commitment to its program.

Adding the Green Element

For many business schools, one purpose of constructing a new building is to make a tangible com-

At other schools, the steering committees are highly intrigued by the notion of sustainable design, but they know they might have difficulty convincing key stakeholders of the benefits of a green building. It helps if they can point to advantages in several key areas.

Productivity. While a healthy indoor environment can have a significant effect on the people who use a building, productivity improvements are notoriously difficult to measure. One way to estimate them

is through evidence-based design techniques. For instance, steering committees can reference government studies that show how design solutions, such as increased access to daylight, increase productivity. Then they can correlate the expense of those elements to the expected cost savings to estimate the bottom-line value of sustainable design. Because many stakeholders will still be skeptical, committee members might keep expectations for increased productivity low. Even so, they will typically see a strong return.

Recruitment and retention. Potential students—those Millennials who are committed to environmental causes—might be favorably impressed by a business school’s new green building. The open spaces and fresh indoor air might be invigorating enough to keep faculty from moving to new jobs. Again, these benefits are difficult to quantify. But it’s likely that business schools will see a substantial return on investment if a sustainable business design allows them to recruit a single premier faculty member or realize a 5 percent increase in enrollment.

In fact, the chances are good that students will be drawn to green buildings, since many of today’s business students are in the forefront of sustainability efforts at universities. When Perkins+Will produced strategic and programming plans for Northwestern University’s Kellogg Graduate School of Management in Evanston, Illinois, we relied heavily on input from students, particularly those from the Kellogg Greening Initiatives Team. Worldwide, we have seen Net Impact students focus on sustainability as one of their leadership goals. These committed and



The new building for the Labovitz School of Business and Economics at the University of Minnesota, Duluth, reflected its commitment to its undergraduate program and took its name from the primary donor to the new facility. Photo copyright © James Steinkamp, Steinkamp Photography

engaged students are very likely to consider a building’s sustainability level when they’re deciding what schools to attend.

Externalities. Sustainable schools use fewer fossil fuels, so one direct benefit is that their energy costs are lower and they save money. But there’s an indirect benefit too: They also emit fewer carbons, and the media has made the public very aware of the benefits associated with low carbon emissions. Therefore, a green building creates goodwill in the community, and that goodwill increases student retention and builds social capital.

Sustainable schools also receive positive attention from media outlets that offer alternative rankings, such as the biennial “Beyond Grey Pinstripes” survey conducted by the Aspen Institute. Perhaps in the future, the rankings that business schools will find most desirable will be the ones that focus on sustainability and social responsibility. In that case, deans lobbying for a sustainable building might find it easier to convince stakeholders of its value.

Promoting Learning In a Green School

Not only do sustainable buildings offer benefits in terms of cost sav-

ings, staff retention, productivity, and goodwill, they also serve as excellent places for students to learn.

Sustainable learning environments are ideal for schools that require highly adaptable spaces that can be reconfigured easily. For instance, the Williamson College of Business Administration at Youngstown State University in Ohio and the Labovitz School each required a modular approach for their buildings, with interchangeable classrooms and offices. To maximize flexibility, the Williamson facility also incorporated a raised-access floor plan for the entire building, which will allow great adaptability when the school needs to upgrade technology or heating/ventilation/air conditioning (HVAC) systems. Not only are both buildings highly adaptable, both buildings also have received LEED Gold Certification.

Any business school that wants to design an adaptable space needs to take into consideration both its mission and its technical requirements. Structural grids must be properly sized, and engineering systems must be adaptable. For the greatest amount of flexibility, schools should keep rooms at a relatively consistent size so that it’s

Research And Resources

Planning a new building? Want to see what peer and aspirational schools have done? AACSB's B-School Facilities Resource Center (www.aacsb.edu/resources/facilities/default.asp) offers extensive examples of the kinds of spaces other schools have built in the past few years and includes links to sites that track their construction progress.

For instance, the site names 23 American schools that have achieved LEED certification from the U.S. Green Building Council, and more that are seeking certification. It also lists schools that have received similar certification from related organizations in Australia, Singapore, Canada, and the U.K.

The AACSB site also offers links to schools with applied learning centers, such as trading floors, behavioral research labs, and moot boardrooms; collaborative working spaces; and flex-



ible floor plans. In addition, it provides an overview of the kind of technology and multimedia services some schools are employing; the center also collects news stories about the buildings under construction on b-school campuses around the world.

According to AACSB records, in the past five years, 28 naming gifts to business schools have been directly tied to the construction of new facilities. While the amounts of some of those gifts have been kept confidential, the remaining gifts range from \$720,000 to \$105 million, with a median of \$15 million.

easy to create interchangeable modules of space.


A new building also can incorporate spaces specifically designed to focus on sustainability, from learning labs for students to outreach centers for regional businesses seeking resources on green topics.

The building itself can function as a learning tool. Green construction elements help students and faculty understand the technical aspects of sustainable design while they explore the kinds of payback delivered by sustainable materials and energy-efficient systems. In this case, it's key for the administration to continually highlight


the steps it's taking to make the building green. For instance, the Williamson College of Business is planning kiosks that inform students and faculty about the sustainable strategies used within the new building. The building has also dedicated space to becoming a regional resource for sustainable enterprise.

Aligning with Values

Ultimately, the success of any business school environment depends on how well the institution's resources align with its vision and mission. Among nationally acclaimed programs, there is a direct correlation between their physical spaces and the way they teach, conduct research, and enable outreach. For schools that are dedicated to teaching about sustainability, green buildings will underscore the focus of their programs. Schools with other priorities will choose designs that reflect their values and their missions.

What's important is for schools to first determine who they are and how they want to display themselves to the world. Then they will know what kind of building will best reflect their identities and their spirits. 

.....
Jeff Ziebarth, AIA, LEED AP, is a principal at the architectural firm Perkins+Will, which has locations in 23 cities around the world. A Higher Education Global Market Leader for the firm, he is a specialist in building for higher education and business school clients. He is located in the Minneapolis office.

 the case for learning

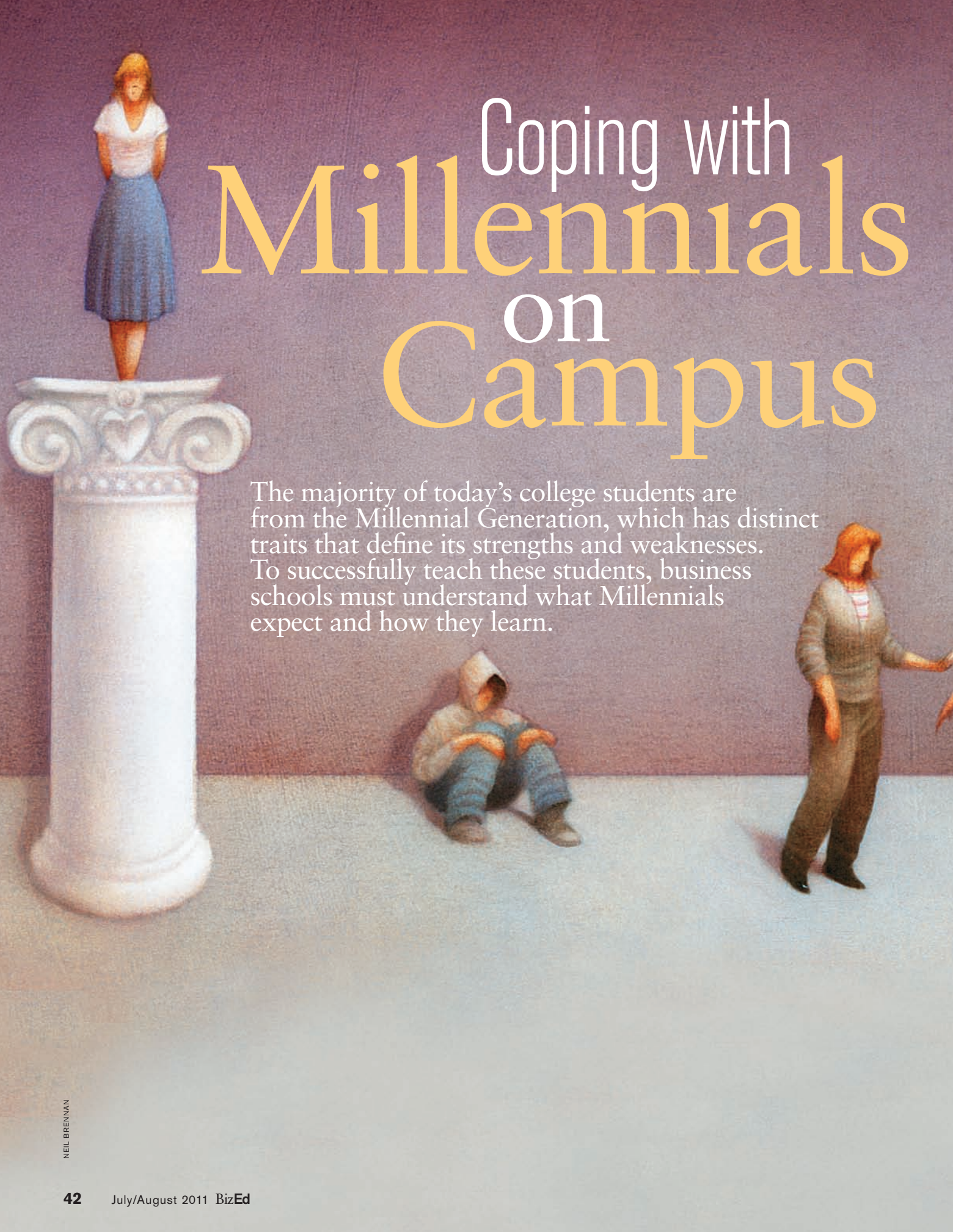


management learning - at one click

Where can you get instant access to the world's best management and business materials?

New ecch.com has 70,000 cases, articles, chapters and instructor materials on-line to help you, your students and your staff get better at what you do - faster, simpler.

Discover more at ecch.com



Coping with Millennials on Campus

The majority of today's college students are from the Millennial Generation, which has distinct traits that define its strengths and weaknesses. To successfully teach these students, business schools must understand what Millennials expect and how they learn.



EXPECTATIONS

BY STEVE WILLIAMS, JIM BEARD AND MARGARET TANNER

The five 19-year-old sophomores seemed dejected, yet defiant, as they waited for their business professor's critique.

"Your work on the case study project was good, and your team presentation was solid," the professor began. "But I'm concerned about your post-project team member evaluations. You were instructed to complete the evaluations individually. I stressed the importance of confidentiality and absolute candor in assessing each team member's individual contributions. Otherwise, the evaluation process loses validity and reliability. Yet, each of you ended up with a 95 percent evaluation from all the others. Doesn't that seem like an incredible coincidence to you?"

One of the students answered without reservation. “It’s not a coincidence. We met together and worked out the distribution of scores. Seemed like the only fair way to do it.”

“But my instructions were clear, right? You just decided to ignore them.”

Another student chimed in. “Your instructions weren’t consistent with everything else you’ve taught us about teamwork, like the value of collaboration. Suddenly, at the end of the semester, we’re supposed to secretly rat each other out. It’s like you want us to pick a weak link to get a lower individual grade.”

Exasperated, the professor responded, “Collaboration occurs when you work together to solve problems and make decisions by combining your skills and perspectives. It’s a primary value of teamwork, yes. Collusion is when you get together to fix an outcome that benefits each of the colluders. That’s often illegal. You can tell the difference between collaboration and collusion, right?”

The young students looked at each other, puzzled. Then, with total, wide-eyed innocence, they replied in unison, “No.”

Something is different about this generation, the professor thought. These are the same young people who worked so hard and so brilliantly on the case study project...in business ethics!

Children born since 1982 are collectively known as the Millennial Generation, and they’ve been descending on college campuses for the past ten years. Raised by protective Baby Boomer and Generation X parents, these Millennials have

common identifiable characteristics that can make them challenging to educate. But faculty and administrators who understand the generational profile of these students can create campus and classroom environments that will appeal to them, nurture them—and prepare them for the real world.

Neil Howe and William Strauss identified seven core personality traits of this generation in two books published in 2000 and 2007, *Millennials Rising: The Next Great Generation* and *Millennials Go to College: Strategies for A New Generation on Campus*. At the College of Business at the University of Arkansas–Fort Smith, we have used this framework to help us develop initiatives that suit students with these profiles and make it easier for them to learn.

The Seven (Deadly) Traits

According to Howe and Strauss, Millennial students are *special*, *sheltered*, *confident*, *team-oriented*, *achieving*, *pressured*, and *conventional*. Each trait affects how they see themselves—and how they behave in the classroom.

Special. Overprotective Boomer and Generation X parents have become known as Helicopter Parents, who hover anxiously over their children, assuring them that they are all winners. As a result, many of these young adults want to be recognized just for showing up and trying, and they’re indignant or upset when that’s not good enough at the university level.

Sheltered. Coddled since birth by their parents, who constantly fear for their safety, Millennials have been distanced from the “school of hard knocks.” As a result, many are unprepared for the realities of



Dean Steve Williams serves hot dogs to business students at the 2010 annual Dogs with the Dean student appreciation event.

the college classroom. Many do not hesitate to challenge their professors when they do receive constructive criticism or don’t receive A grades.

Confident. Having been told by their parents that they can be whatever they want to be, Millennials possess high levels of trust and optimism. Faculty sometimes interpret their self-assurance as arrogance, a sense of entitlement, and an unrealistic belief that they can accomplish too much too soon.

Team-oriented. Millennials have strong team instincts and tight peer bonds; they rely on e-mail, texting, and social media like Facebook, Twitter, and YouTube to stay in constant touch with friends and family. They expect a business classroom to offer team-based opportunities and address ways to serve the public good.

Achieving. Millennials are on track to become the best-educated and best-behaved adults in history. But since many of them have never worked outside the home, they frequently lack business etiquette and social skills. Business schools can expect an influx of students who

need help developing professional and career capabilities.

Pressured. Since their supportive parents have pushed them to study hard, avoid personal risks, and take full advantage of every opportunity, Millennials feel pressured to excel. They actively seek reactions and are lost without constant feedback, and the drive to succeed can cause them to cheat, plagiarize, and whine in the classroom.

Conventional. More comfortable with their parents' values than any previous generation, Millennials have a high level of respect for teachers and institutions. However, this respect comes with an equally high level of expectation. If business schools fail to live up to Millennial expectations, students can lose faith and walk away. At the same time, that conventionality leads Millennials to be less creative and take fewer risks in the classroom.

These seven characteristics can make Millennials challenging to teach, unless faculty learn to cope with the traits instead of trying to overcome them. At the UA Fort

Smith College of Business, our professors are working on ways to do just that.

Making Them Feel Special

Business schools can capitalize on the Millennials' need to feel special by establishing new traditions, promoting high standards, involving Helicopter Parents in campus activities, and supplying the great service students and parents demand.

Establishing new traditions. At the College of Business, we've developed events like "Dogs with the Dean," a student-recognition activity held every fall semester. During these gatherings, faculty and administrators serve hot dogs, chips, cookies, and drinks to business students at lunch on one day and at dinner the following day. Members of the Student Leadership Council also serve freshly baked cookies to grateful students multiple times throughout every semester on Student Appreciation Days. Both of these inexpensive traditions are widely anticipated and well-attended by business students and faculty alike.

Promoting high standards. The College of Business has the highest grade point average admission requirement of any program at the university, so students need higher academic credentials to matriculate into the school. We make sure potential business students know this, so they realize they have achieved something difficult if they're admitted.

Involving parents. The College of Business is following the lead of other academic institutions, such as Slippery Rock University, to develop and share best practices. These include providing copies of policies and resources to parents; posting appropriate information on the business school Web site; and disseminating information about curriculum requirements, grading policies, financial aid opportunities, and safety and security services. Additionally, we educate parents about the Family Educational Rights and Privacy Act (FERPA) regulations, which restrict the information we can lawfully share without student consent. As much as we can, we solicit parents to be champions who work on resolving concerns, rather than obstacles we must overcome.

Providing great service. We have created the staff position of Student Services Coordinator, whose job is to advise and retain business school students. Millennials expect service people to be available 24/7 and answer all queries immediately. Our coordinator doesn't meet those requirements, but is available during regular hours of operation to answer student questions and concerns. The coordinator also is supported by trained student peer advisors. And to provide students with some form of round-the-clock service, the College of Business has



The Student Leadership Council serves cookies to Millennials on Student Appreciation Days. These events also give students a chance to provide feedback and suggestions to the school.

reformatted its Web site to contain links with the answers to students' frequently asked questions.

As part of being "special," Millennials harbor the belief that they can request extraordinary service. This means they expect deans and faculty to be accessible to them at all times. At the College of Business, we make it abundantly clear when we will and will not be available. We also delineate the acceptable boundaries for prompt and consistent feedback, so they know when they can expect e-mail responses and when faculty will be available to personally respond to student queries. We want them to feel special—but we don't want them to control the school.

Providing Shelter

Security is a top priority for Millennials, and business schools need to address it. Small schools can use their size as a selling point by emphasizing how a small campus offers a safer and more personal experience. Larger schools might

a lack of creativity, possess few analytical decision-making skills, and are averse to taking risks.

At our school, to make them feel safe from surprises in the classroom, we've started to present complete course information in all syllabi at the beginning of each semester. Policies related to faculty expectations, grading practices, and classroom conduct are spelled out in detail and covered in class to ensure business students are aware of the rules and requirements.

Because many overprotected Millennials have never held jobs, they lack professional and social skills, so we think it's important to nurture student internship relations. Thus, we've created a faculty position for an Internship Coordinator, who works with the university's career services department and the Dean's Leadership Council of the business school. Since we implemented this program, business student internships have hit record numbers.

In addition, we've implemented

"Millennials respond better when they're told about great things that will happen when they make appropriate decisions, rather than the terrible things that could result from incorrect choices."

point to their campus security force or integrated alarm systems. The point is to minimize any sense of risk for students and their parents.

In the b-school classroom, Millennials who have been sheltered from real-world expectations often will complain about what they perceive as unfair grades. These students, who have been raised to play it safe, also frequently display

changes to our required business communications class. We also have developed required and voluntary modules that feature sessions on résumé building and review, business and dining etiquette, social networking, job training, and career management. Other modules offer students assistance in developing an "elevator speech" and opportunities to con-



Students work on business etiquette and social networking skills as they meet with Fort Smith business leaders.

duct mock interviews with corporate volunteers.

Finally, we are looking into proposals that will help develop our students' leadership and civic engagement skills. We believe community engagement opportunities will build our students' professional and social interaction skills while simultaneously capitalizing on their desire to be involved in not-for-profit and community-based activities.

Playing to Their Confidence

Millennials are used to having their self-confidence praised and shored up, so they tend to be receptive to comments and concepts that are

relayed in positive tones.

They respond better when they're told about the great things that will happen when they make appropriate decisions, rather than the terrible things that could result from incorrect choices. In

the classroom, their self-confidence frequently leads them to rationalize poor results and decide against seeking much-needed help from their business professors.

Therefore, when our College of Business professors discuss poor performance with students, they intertwine criticism with compliments. They also establish early in the semester that hard work by

itself won't guarantee high grades, and they indicate the type of student effort that's likely to lead to desired rewards. Also, where possible, professors demonstrate preferred outcomes by providing concrete examples of successful papers, exams, and assignments.

Capitalizing on Team Spirit

With teamwork emphasized from daycare throughout their secondary education, Millennials are accustomed to identifying themselves within networks of tight peer groups. They were weaned on organized activities and communications technology. Indeed, for this generation, connectivity is a self-defining value.

Because of their team orientation, Millennials expect that in the business school classroom, they will work in—and be graded as—teams. Thus, our faculty provide options for group work both in and out of the classroom. We've noted that these students prefer to work in teams of five or fewer, and they work best when professors provide a clear structure for team management, including a fair mechanism for ejecting slackers.

At the curricular level, we have redesigned our sophomore Business Communications course to reflect this team bias. Rather than using it to stress individual skills, such as writing procedural memoranda, we focus on four specific learning outcomes of effective team communication: setting meeting agendas, holding effective meetings, writing and distributing minutes of team proceedings, and performing effective team roles to make collaborative decisions.

We also accommodate those team-style preferences through-

out the curriculum by embracing collaborative and active learning pedagogies instead of lectures. For example, our business professors are experimenting with using free online polling software like Poll Everywhere (www.polleverywhere.com). This service allows students to send texts from their cell phones to provide instant graphical responses to material covered in class. It also taps into Millennial preferences for technology and desire for social interaction.

Helping Them Achieve

Ever since kindergarten, Millennials have expected to work hard, earn good grades, and pursue extracurricular activities. Rising standardized test scores confirm that they are the smartest generation in recent memory, and indications are that the majority of Millennials intend to earn a college degree. These high achievers assume schools will offer them a complete spectrum of extracurricular activities and access

to cutting-edge technology. They also come to the classroom expecting high academic standards, small classes, fair and transparent grading practices, and traditional values similar to the ones their parents espouse.

However, Millennials have grown up constantly multitasking, which means they have difficulty focusing on priorities. As a result, they're more likely to do several things simultaneously and poorly than do a single thing well.

To teach this group of easily distracted high achievers, some of our College of Business faculty have successfully mimicked the structure of video games, in which actions are followed by consequences and there is a clear relationship between effort and reward. These professors provide students with multiple paths and opportunities to maintain and improve course grades. They also offer students incremental rewards and frequent feedback—through quizzes, exercises, reports, papers,



The College of Business at UA Fort Smith has converted unused entryway areas into spaces where students can relax or study.

Recap: Nine Things to Know

The University of Arkansas–Fort Smith suggests these approaches for teaching the Millennials who form such a big part of this generation of college students.

1. Develop campus traditions to build a sense of team spirit.
2. Take opportunities early and often to explain issues such as academic integrity, intellectual ownership, and cheating.
3. Provide clear expectations, detailed instructions, and explicit syllabi.
4. Offer spaces for students to recover and rejuvenate.
5. Help students develop skills in studying, time management, and professional development.
6. Plan occasions for parental involvement and actually utilize input from parents.
7. Offer career planning that stresses professionalism and long-term success.
8. Provide internship opportunities and other forms of extracurricular engagement.
9. Provide cutting-edge technology, interactive Web services, and social media access.

and group activities—which seems to work better for Millennials than the traditional grading structure of a midterm and final.

Alleviating Their Pressure

Driven by their pushy Helicopter Parents and their own high expectations, today's Millennial students experience unrelenting pressure to position themselves for long-term success. This pressure causes them to feel increased stress, engage in less physical activity, and give in to the temptation to cheat in the classroom. It also means they often want help developing the skills and habits that will enable them to transition into college life and then the working world. Business schools must address all of these situations.

To alleviate stress and encourage physical activity, schools need to provide on-campus opportunities for extracurricular activities, such as intramural sports. In addition, schools need to set up student lounges where students can relax, step back, and socialize with their peers. At the College of Business, we have transformed unused areas into student lounges that have wireless access, electrical hookups for laptops and cell phones, and comfortable furniture where students can study or network.

To discourage cheating, professors make sure that, early in the semester, they offer clear and concise discussions of what constitutes cheating, how to avoid it, and how it will be punished. Because plagiarism has become rampant, business faculty also have increased the amount of time they spend in class discussing what plagiarism is and how it will be monitored; almost all faculty are using copy-detecting software like

turnitin.com to screen assignments. In fact, we are working on creating a unified approach to what many faculty believe is a plagiarism pandemic.

One reason Millennials cheat is because they feel overworked, which also leads them to complain about course workload and grading practices. Our business professors address this problem by explaining to students the purpose of various assignments and what they need to do to achieve the grades they desire. Some business professors also are breaking assignments into more manageable modules and sub-

modules, offering study guides that include exam questions, and developing more flexible deadlines—for example, reduced grades for late submissions rather than a “no late papers” policy.

Finally, to help students learn coping techniques and transition into college life, faculty have developed a one-credit freshman course, Planning for Success, that teaches time- and stress-management skills. The course also helps prepare them for their subsequent business programs.

Understanding Their Conventional Values

Unlike previous generations, today's Millennials are conventional; they believe social rules can help. They arrive on campus with a high level of respect for institutions, but they expect an equally high level of performance. When schools and faculty don't meet expectations, they will see the trust of the Millennials erode.

Millennials are accepting of the rules, but the rules need to be unmistakably defined, and the link between violations and consequences needs to be made clear. Business instructors have found that Millennial students tend to follow rules they understand, and they prefer structure in the classroom. With Millennials, we have learned to err on the side of providing “TMI” (too much information) about what is required in their role as students.

For example, the College of Business Code of Ethics appears on every syllabus. Faculty members follow up by holding classroom discussions about what the code means in terms of everyday conduct: not cutting class, arriving on time, muting smartphones, not texting during class, and demonstrating respect in

other ways for the instructor and their fellow students.

At the same time, conventional Millennials are not risk takers. Professors find that it's difficult to get them to demonstrate independence, creativity, and critical thinking. To address these concerns, more of our faculty members are experimenting with holding open classroom dialogues with students, rather than teaching through the traditional lecture format.

The Millennials Go Forth

Every generation develops its own personality and instantly identifiable markers. At institutions of

higher learning, we must understand and adapt to the needs of each new set of students if we are to successfully prepare them for the working world.

It's true that some of their group traits make Millennials seem unimaginative, whiney, unfocused, and self-centered. Much material has been written about the shocks that await them as they enter the corporate world and learn that they won't be lauded simply for showing up and doing a standard level of work.

But other books and articles have described how the corporate office will have to adjust

to accommodate the Millennials—and why they will be such a strong addition to the workforce. This generation is loyal, hard-working, deeply concerned about social issues, and committed to making business a force for good. With the right kind of education, these students really can go out and change the world. **Z**

.....
Steve Williams is dean and Joel R. Stubblefield Endowed Chair of Business at the College of Business at the University of Arkansas in Fort Smith. Jim Beard is chair of the department of management and Margaret Tanner is chair of the accounting department at the College of Business.



RAVI SHANKAR
CHIEF INVESTMENT OFFICER
EPIC ASSET MANAGEMENT LTD.
LONDON
DREXEL LEBOW MBA '87

SINGULAR EXPERIENCE

COOPERATIVE WORLDVIEW

“My Drexel LeBow MBA was part of my quest to truly understand the global economy, so I could play my part.” **LIVE IT.®**

TheDrexelLeBowMBA.com

THE DREXEL LEBOW **MBA**



COLLEGE OF BUSINESS
LeBow

ATTRIBUTES OF EXCELLENCE

Business schools must demonstrate continuous improvement and an array of quality attributes if they want to support their missions and pursue accreditation.

BY JERRY TRAPNELL AND W. RANDY BOXX

Business schools around the world seek international recognition and status as they operate in an increasingly global market. In this competitive environment, it's essential that they demonstrate high quality. Accreditation from a recognized international organization is one hallmark of quality, but accreditation should not be the ultimate goal of any educational institution. Instead, schools should aspire to be well-managed, continuously innovating organizations that are capable of achieving and maintaining accreditation. When they reach that point, accreditation will become an external recognition of everything they have achieved internally.

Schools need to cultivate certain attributes and achieve certain outcomes as they pursue the excellence that merits international accreditation. This article offers an overview of these characteristics and expectations to give administrators a framework that will help them determine if they're on the right path.



Three Key Expectations

To be among the best in the world, business schools need to meet expectations on three measures: stability, collegiality, and a strategic mindset.

Stability. At a stable school, financial, human, and physical resources are in good shape and likely to remain so. A stable environment provides a foundation for creativity, innovation, and new programming. By contrast, a school with an unstable environment might be underfunded, understaffed, and operating in facilities that are too small or too old to meet its needs. In such an environment, the school is unlikely to achieve its mission, pursue new endeavors, work at continuous improvement, or maintain high quality.

Collegiality. A collegial institution fosters significant engagement among students, faculty, staff, and the surrounding community. It is stable and well-staffed, and it enjoys a well-developed infrastructure. A collegial organization doesn't just deploy enough resources to support its mission; it creates an environment that is positive and collaborative. Its administrators and faculty share responsibility and accountability as they establish strategic directions and action plans, and they take corrective action if the school isn't demonstrating progress toward achieving its mission.

Strategic Mindset. When a school has a clear-cut strategy, external stakeholders—particularly prospective students, faculty, and employers—can determine if its goals and missions align with their own.

A school with a strategic mindset is able to articulate its mission publicly, implement systems to monitor its progress toward that

mission, periodically review and update the mission, and pursue continuous improvement. When the school initially develops its mission, it should gather input from key stakeholders, including administrative leaders, faculty, students, employers, recruiters, and alumni. Any time it updates the mission, it should seek input from all these groups as well—an action that serves to underscore the school's collegial nature.

A school with a strategic mindset realizes that its students must develop such a mindset as well. Graduates should be able to look beyond their functional expertise to think critically about business systems and how they impact society. While these graduates will use their technical skills to launch their careers, they will rely on their strategic abilities to map out long-term career plans and see beyond their own jobs as they consider the role of business in society. A business school with a strategic mindset will position its graduates for life, not just for work.

Key Attributes

Business schools will find it difficult to achieve accreditation without passionate leaders, strong institutional support, excellent organization, and precise processes to ensure accountability.

Leadership. The importance of committed leaders can hardly be overstated. An effective leadership team not only will assist in formulating the business school's mission and strategy, it also will rally all stakeholders to participate in carrying out the strategic management plan. To external constituencies, the dean is usually the face of the school; to internal ones, the dean is often the driver who moves plans forward. A dean must earn the confidence of all stakeholders, marshal collaborative support, direct improvements, accept accountability for successful outcomes, and work smoothly with other leaders in the school.

Institutional support. When business schools are academic units within larger universities, it's essential that they develop excellent relationships with the leaders of the parent institution. Schools



require unflagging support from their universities if they're going to achieve their missions, deliver superb academic programs, enable scholarly research, and align themselves with best practices in management education.

The university's support is even more important when a school is seeking accreditation, because the accreditation process sometimes requires schools to realign their priorities in terms of faculty deploy-

and take corrective action when necessary.

Processes for accountability.

Accountability has never been more important in the higher education community. Stakeholders at all levels—from students to donors to governing bodies—are demanding that schools be open and transparent about how they're using tuition, gifts, and public funds. Fundamentally, accountability is the driver of continuous improve-

ers, deliver high-quality programs, encourage scholarly research, and design a relevant curriculum.

A high level of engagement.

Because a business school needs a strong professional orientation, it must be meaningfully engaged with internal and external stakeholders. Internal stakeholders, such as faculty and students, help the school establish a strategic direction and assess the school's progress toward its goals. Exter-

nal stakeholders, such as business leaders, employers, and alumni, help schools identify current business challenges and

“Schools must be able to show stakeholders how they're turning out graduates who will be responsible leaders.”

ment, development, and sufficiency.

Organization. High-quality schools must be well-run. No one organizational structure is definitively better than another, but at a highly effective business school, the leaders will know how to organize and deploy resources, assign responsibilities, assess outcomes, create clear lines of accountability,

ment. Therefore, it's crucial that schools be able to show stakeholders how their programs have been successful in turning out graduates who will be responsible citizens and business leaders.

Accountability begins with the school's mission statement and strategic management plan. Schools must be able to demonstrate how student outcomes support the mission, how faculty teaching and research are consistent with their mission and programs, and how they assess and develop faculty. But the ultimate measure of accountability is a school's assurance of learning initiative, which must demonstrate that students are achieving the learning goals set out for each degree program.

Essential Outcomes

Schools that aspire to accreditation must achieve a number of multidimensional, qualitative outcomes. More precisely, they must promote engagement among stakehold-

practices that need to be reflected in academic programs.

Schools also need to be engaged within the wider community of management education. They should collaborate with other institutions, encourage faculty and administrators to be active in professional and academic organizations, and otherwise demonstrate a commitment to the field in general.

Excellent teaching and strong student learning. It's a given that top business schools must provide quality instruction, which isn't possible without a high level of engagement between faculty and students. Schools seeking accreditation should set expectations for faculty performance, demonstrate classroom innovation, evaluate teaching quality, and use the results of these evaluations to improve the learning experience. They also should create processes that measure student learning outcomes.

High-quality research. Because scholarly inquiry is one of the



components that differentiates institutions of higher education from organizations that merely provide training, schools seeking accreditation must have strong records of research. In addition, a business school's intellectual contributions should advance knowledge in the management field, promote intellectual vibrancy among faculty members, and ensure that the business school is part of the broad community of scholars.

The importance of intellectual contributions should be outlined in the school's mission.

Because business schools show great diversity in the types of research they emphasize, administrators should offer faculty clear guidelines about what they expect. As always, a school should encourage research that suits its mission, program portfolio, and strategic management plan.

A relevant curriculum. In their classes, business schools must find the right balance between practical knowledge gained through experience and theoretical knowledge gained through abstract conceptualization. Within the balanced curriculum, these elements are essential:

A global perspective. Schools can introduce such a perspective by bringing in diverse faculty and students, offering opportunities for students to work and study abroad, and including international examples in the material they teach. They also should ask, "How are we a global organization in our own operations, not just in our curricula?"

Current trends and technology. Schools need to dissect business trends in their classrooms so

graduates already understand them when they enter the workforce. Schools also need to familiarize students with current business technology, but they shouldn't jump on the latest hype unless they can make sound connections between new technology and contemporary business practice.

Emotional grounding. Business schools need to help students and faculty develop themselves both intellectually and emotionally. A school shouldn't simply generate new knowledge; it should establish

"A business education should empower students to engage the world's possibilities; it shouldn't just prepare them to get jobs."

and share its core identity and its ethical compass. Graduates should not only understand the principles that form their educational experiences, but also appreciate how the school's principles will guide their own professional work and growth.

Emotional grounding unifies a school around a common undertaking. Without a common cause, faculty would simply be an amalgamation of individuals pursuing self-interested goals without considering how they fit the business school overall.

A sense of purpose. Business schools should work closely with students to move their passions into professions. Today's learners need more than an understanding of the functional disciplines; they need to be deeply connected to the purpose of their work.

A business education should empower students to engage the world's possibilities; it shouldn't just

prepare them to get jobs. By offering a mix of technical knowledge and emotional motivation, great business schools will teach students how to dream the impossible in ways that are grounded in the possible.

The Association's Role

Schools that seek international business accreditation voluntarily commit to meeting the high standards of the accrediting body, and this is a powerful statement to their stakeholders. Accreditation

provides an external validation mechanism of high quality and continuous improvement across the attributes outlined above.

AACSB is not the only organization to offer accreditation, and its standards are not the only indicators of quality for business schools. But schools that achieve accreditation have proved that they are committed to the enhancement of management education worldwide. They are making a powerful statement that they believe both businesses and business schools should contribute to the betterment of society. **Z**

.....
Jerry Trapnell is executive vice president and Chief Accreditation Officer at AACSB International in Tampa, Florida. W. Randy Boxx is dean and George Edward Durell Chair in management at Shenandoah University's Harry F. Byrd Jr. School of Business in Winchester, Virginia.

Does Universal Health Coverage Work?

WITH THE ONGOING DEBATE about U.S. healthcare reform, many wonder what will happen if the Obama Administration's Patient Protection and Affordable Care Act takes effect in 2014. At that time, barring intervention, all U.S. citizens will be required to obtain health insurance coverage, whether at their own cost or via a variety of employer mandates, support programs, and insurance exchange markets.

However, one state, Massachusetts, already has enacted universal healthcare for its residents. Jonathan Kolstad, an assistant professor at the Wharton School at the University of Pennsylvania in Philadelphia, and Amanda Kowalski, an assistant professor of economics at Yale University in New Haven, Connecticut, recently examined 36 million patient discharge records from Massachusetts to see how universal healthcare has affected such factors as emergency room visits, the length of hospital stays, and overall cost of care in the Massachusetts market. They used a representative sample of records for 20 percent of all U.S. hospitals to control for changes happening in the general healthcare market.

The pair found that after Massachusetts enacted universal healthcare law, coverage for the state's population increased from 89.5 percent to 94.5 percent, compared to approximately 84 percent nationally.



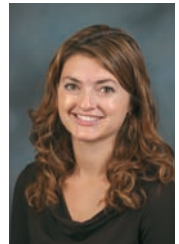
Opponents of the Affordable Care Act argue that it will cause greater use of hospital services. However, Kolstad and Kowalski found that in Massachusetts, reform led to a 1 percent decline in the length of stays—perhaps because physicians knew that patients would have access to healthcare after discharge.

The researchers also found that, following the enactment of healthcare reform, admissions to emergency rooms in Massachusetts declined by 5 percent, most likely because poorer patients no longer had to resort to coming to the ER for routine ailments.

Finally, the researchers' examination of Medicare data indicated that healthcare reform neither increased nor decreased overall hospital operating costs. While this finding undermines opponents' argument that reform will cause costs to increase, it also fails to support proponents' case that reform will save money over the long term.

Kolstad notes that it will be important to conduct future research on the impact of U.S. healthcare reform on actual health outcomes for patients, which was outside the scope of this study. As the call for change in healthcare intensifies, he adds, the importance of applying empirical studies to proposed solutions will be the key to creating a system that delivers affordable, high-quality care.

"The Impact of Health Care Reform on Hospital and Preventative Care: Evidence from Massachusetts" is available as a National Bureau of Economic Research working paper, at www.nber.org/papers/w16012. A Knowledge@Wharton article on the study is available at knowledge.wharton.upenn.edu/article.cfm?articleid=2721.



Amanda Kowalski



Jonathan Kolstad

Why Consumers Panic at the Pumps

GLOBAL FUEL PRICES rise and fall in cycles. Even so, consumers often react as if spikes in gas prices are permanent, reducing their spending in ways that can hurt the economy, according to a study by John Godek, a lecturer in marketing at the University of Washington in Bothell, and Kyle Murray, an associate professor at Canada's University of Alberta School of Business in Edmonton.

Godek and Murray asked two groups of participants to imagine they had planned a vacation to a location 500 miles away. Two days before they are to leave, however, they find out that gas prices have risen. The first group was told that they would pay an extra \$25 in fuel costs to make the trip (price per trip, or PPT). The second group was told that they would pay \$3.60 per gallon instead of \$2.63 per gallon (price per gallon, or PPG).

Participants in the PPG group were significantly more likely to say they would cancel their trips than participants in the PPT group.

The researchers say that the PPT group was more likely to view the increase as *topical*, or specific to the trip, and therefore temporary. However, the PPG group viewed the increase as *comprehensive*, or applicable to their overall spending, and permanent. The researchers conducted two other similar experiments, where they found that mem-

bers of the PPG group also were more likely to feel as if they had less disposable income and to decrease overall spending than the PPT group.

Consumer reactions to cyclical increases in gas prices can put artificial strains on the economy, the authors say. "To minimize the effect that gas price increases have on consumer spending," they write, "price changes should be framed to invoke topical ... rather than comprehensive mental accounts."

The study "Effects of Spikes in the Price of Gasoline on Behavioral Intentions: A Mental Accounting Explanation" appeared in the April 2011 issue of the *Journal of Behavioral Decision Making*.



UPCOMING & ONGOING

■ NEURO GETS A CLOSER LOOK

Researchers at the University of Oxford's Saïd Business School in the United Kingdom have embarked on a three-year study of the growing field of neuromarketing. Led by Steven Woolgar, the project will focus on how neural processes affect human decision making. Researchers will use ethnographic fieldwork, interviews, documentary analysis, and historical assessment to compare how consumer behavior is influenced by different types of advertising, market research, and promotions.

■ MORE CLUSTERS AT UNT

The University of North Texas has expanded its cross-disciplinary research clusters from 11 to 15. The four new emphases include research on global hazards and disaster planning; peace, democracy, and global development; digital information networks, especially those involving retail/merchandising and hospitality/tourism industries in the U.S.; and logistics, especially in supply chain management. UNT also has added two new areas for strategic investment: entrepreneurship and South Asian media, culture, and arts. For information on UNT's

cluster program, visit its site at research.unt.edu/clusters/.

■ C'MON, GET HAPPY

In April, Fordham University in New York, New York, opened its Center for Positive Marketing (CPM), which will promote the view that marketing "exists to help people" by creating well-being and happiness, says Luke Kachersky, assistant professor of marketing and CPM's project coordinator. CPM plans to develop a cross-cultural, industry-based index for measuring consumer value and well-being, as well as focus on marketers' efforts to balance profitability and well-being and to promote value through social responsibility.

■ STUDY OF CENTRAL BANK

Researchers Raman Uppal of EDHEC Business School and Bernard Dumas of INSEAD, both in France; and Adrian Buss and Grigory Vilkov, both of the Goethe University Frankfurt in Germany, have received funding from the Foundation Banque de France for Economic Research for their project, "Comparing Different Regulatory Measures to Control Stock Market Volatility: A General Equilibrium



UPCOMING & ONGOING

Analysis.” The researchers will examine different regulatory measures that a central bank can use to reduce market volatility and create orderly financial markets.

■ CENTER FOR INSURANCE

Nanyang Business School in Singapore is launching the Insurance Risk and Finance Research Centre, in partnership with global reinsurance company SCOR. The center will examine the Asian insurance industry and promote study of insurance and actuarial science, as well as undertake two to three research projects each year.

■ INSTITUTE FOR GLOBAL RESEARCH

The Martin V. Smith School of Business & Economics at California State University Channel Islands in Camarillo has opened the Institute for Global Economic Research (IGER). The institute’s work will place a special emphasis on the Pacific Rim region.

■ THE ROI OF WELLNESS

The University of Western Ontario’s Richard Ivey School of Business in London has partnered with the Sun Life Wellness Institute to conduct research on whether employees see a return on invest-

ment for their workplace wellness programs. The aim of the multiyear research study is to quantify the costs and outcomes of these programs, as well as their impact on employees’ long-term health and well-being.

■ ENERGETIC COLLABORATION

Several schools of study at Duquesne University in Pittsburgh, Pennsylvania, are working together to create the Institute for Energy and the Environment. The Palumbo-Donahue School of Business is joining with the schools of law, environmental sciences, and liberal arts to conduct collaborative research in a think-tank-style setting. The goal is to attract faculty from across the university who are interested in how aspects of policy, economics, law, and technology affect energy and make an impact on the world.

■ JOURNAL CHANGES HANDS

The Organization Development Journal, published for nearly three decades by The Organization Development Institute, is now being managed by Colorado Technical University in Colorado Springs. Joanne Preston, the CTU doctoral dean of management, serves as the journal’s new editor-in-chief.

The Price of Software Piracy

A PAPER BY two researchers from the College of Business Administration at San Diego State University in California establishes how software piracy takes hold in developing and emerging global markets.

Bruce Reinig and Robert Plice, professors of management information systems, examined economic statistics from several countries. They found that software piracy is driven by three factors: per capita gross national income, government or public sector corruption, and the strength of the information technology industry.

These findings are significant because of the extent of software piracy globally, they note. In China, 80 percent of software is pirated, according to the Business Software Alliance (BSA). In Indonesia, that rate is 85 percent; in Venezuela, 86 percent. The BSA estimates that a 10 percent reduction in piracy could create 600,000 jobs and US\$24 billion in global tax revenues.

What does it take to reduce software piracy? It depends on the strength of a country’s IT sector, according to the researchers’ model. In countries with robust IT sectors, it’s best to strengthen those sectors further, they suggest. In countries with weak IT sectors, however, it’s better to combat corruption. In both cases, Reinig and Plice support efforts to increase gross national income, because the wealthier the nation, the less incentive its citizens have to pirate software.

Their paper, “Toward an Understanding of Software Piracy in Developed and Emerging Economies,” appeared in the January 2011 issue of the *International Journal of Social & Organizational Dynamics of Information Technology*. The full version can be purchased at www.irma-international.org/viewtitle/50531/.



Bruce Reinig



Robert Plice

The True Cost of Foreclosures

HOME FORECLOSURES are never good for the economy, but few researchers have quantified the negative impact of foreclosures in real terms. That is the goal of a study authored by Atif Mian, an economist from the University of California at Berkeley; Amir Sufi, an associate professor of finance at the University of Chicago's Booth School of Business in Illinois; and Francesco Trebbi, an assistant professor in the department of economics at the University of British Columbia in Vancouver, Canada.

The researchers studied foreclosure rates, house prices, and delinquency rates by ZIP code, using data from RealtyTrac.com, Fiserv Case Shiller Weiss, Zillow.com, and Equifax from 2008 and 2009, a time when the foreclosure rates were "unprecedented." In 2009, foreclosure filings in the U.S. reached nearly 2.5 million, up from 750,000 in 2006. The mortgage default rate topped 10 percent, more than double the rate of any year since 1991.



The researchers divided states in the U.S. into two groups: *judicial states*, where banks must go through court proceedings to foreclose on a home, and *non-judicial states*, where banks need only to provide notice to homeowners before selling the home.

Even though default rates were nearly identical in both judicial and non-judicial states, delinquent homes had a 38 percent chance of foreclosure in non-judicial states, versus only 19 percent in judicial states. The researchers also found that a one standard deviation increase in foreclosures per homeowner equates to a two-thirds standard deviation decline in new residential home construction permits and auto sales.

Given this causal relationship, the researchers attribute 15 percent to 30 percent of the decline in residential investment in the U.S. to home foreclosures. They also attribute up to 40 percent of the decline in auto sales to foreclosures.


In areas with high foreclosure rates, people often feel poorer even if the foreclosures haven't affected them directly. As a result, they spend, invest, and bor-

"We should design our bankruptcy system in terms of how the overall economy responds to financial shocks."

—Atif Mian

row less, causing continuing economic decline. For that reason, policymakers in non-judicial states might want to reconsider their foreclosure processes, the researchers note.

"The bottom line of this work," says Mian, "is that we should design our bankruptcy system in terms of how the overall economy responds to financial shocks."

"Foreclosures, House Prices, and the Real Economy" can be downloaded at ssrn.com/abstract=1722195. 



Atif Mian



Amir Sufi



CAROLINE PURSER/GETTY IMAGES

BU Students Tackle Social Media

BUSINESS STUDENTS are more than familiar with social media sites when it comes to seeing the latest viral video or catching up with friends. But they may be unaware of ways to use these tools effectively for *business*.

That's why Nicole Ames, an adjunct professor at the Boston University School of Management in Massachusetts, wanted students in her integrated marketing communications course to have an insider's understanding of how Twitter, YouTube, Facebook, and other media can be used to achieve business objectives.

As a consultant who helps businesses tap social media, Ames emphasizes how much companies value graduates who can create viable strategies for cloud marketing, which refers to any marketing plan delivered through online social media sites, blogs, and forums. "The social media landscape is so huge, it's impossible to engage with all of it," she says. "I want students to know how to decide which platforms to use and how to use them well."

Ames worked with the IBM Cloud Computing Group to provide a semesterlong challenge to her students: Build a social media cloud marketing plan for IBM. At the start of the semester, the company provided material to familiarize students with cloud marketing. Ames also asked each student to examine one social media platform, determine its best uses for business, and report those findings to the class.

Then, Ames divided her students into five teams; each team chose a specific strategy to research for IBM, including Twitter, LinkedIn, YouTube, search engine optimization, and mobile marketing.

David Parker, IBM's vice president of cloud marketing, was impressed by the depth of the students' work, noting that "some of the teams demonstrated an excellent understanding of IBM's cloud strategy, despite their brief exposure to our strategy and content."

Both Ames and Parker were surprised that the teams also recommended changes to IBM's Web site, which wasn't a focus of the original challenge. Students recommended, for instance, that the company design a less text-heavy page that stated the value of IBM's cloud solutions more directly. They also suggested that the company post more webinars, blogs, podcasts, and video case studies. "There was a consensus that IBM should update its site to better direct people to its social media content," says Ames. "Sometimes even people who are incredibly skilled within the company don't think of things like that."

TOOLS OF THE TRADE

Two Tools For EMBA

Two new online tools are now available to EMBA—one from the Executive MBA Council to help them research programs and the other from Ashridge Business School in the U.K. to help them stay informed once their programs are in full swing.

As a way to introduce EMBA programs to prospective students, the Executive MBA Council has introduced a free application for iPads and iPhones. Created in collaboration with PageWell, the app allows executives to research EMBA programs around the world and learn more about the EMBA experience.

Through the portal, users can search for programs by specific criteria; filter programs by program focus, start date, length, and cost; conduct side-by-side comparisons of up to three programs at a time; and locate the Executive MBA Council's 300 member programs on global map view. The free app is available via iTunes or Apple's App Store.

And to help executive MBAs in its program cope with "information overload," Ashridge Business School has launched Virtual Ashridge, an online portal that offers an easy-to-navigate, customizable collection of text-, audio-, and video-based Web content. The portal has icons to 12 key content areas, drawn from a library of 75 management and leadership subjects generated by Ashridge faculty.

To streamline their learning processes, individuals and companies can have learning portals created specifically for their purposes, explains Tony Sheehan, Ashridge's business director. Virtual Ashridge also will identify other reading, viewing, or listening opportunities that relate to users' stated objectives.

For more information, visit www.ashridge.org.uk and click "Virtual Ashridge" under the "Blended Learning Solutions" tab.



ROBIN LYNNE GIBSON/GETTY IMAGES

All About Analytics

THE DEMAND FOR graduates trained in statistics and digital data analysis is not lost on business schools. Many are launching programs to provide students with much-needed training in these fields.

Among them is the University of Southern California's Marshall School of Business in Los Angeles. In fall 2010, the school launched a statistics program for doctoral students in its information and operations management track. Courses in the program are interdisciplinary and open to students from medicine, mathematics, engineering, social work, and other departments.

The University of Minnesota Duluth's Labovitz School of Business and Economics plans to launch a new undergraduate major called the Retail Marketing Analytics Program, or ReMAP, to train students to manage large data sets, notes Praveen Aggarwal, head of UMD's marketing department. The new

major's creation was driven by executives emphasizing "a pressing need in this area" to the school, he says.

The Yale School of Management in New Haven, Connecticut, recently announced a partnership with IBM to employ consumer analytics software in its Center for Consumer Insights. Students and faculty will use the software to analyze consumer habits and preferences via postings on sites such as Facebook and Twitter, as well as on consumer blogs and company Web sites. This initiative will include a "Consumer Insight" project-focused course, where students will apply analytics skills to real business scenarios.

IBM is making similar investments at other schools. It's investing US\$7.9 million in business analytics software at the University of Ottawa's Telfer School of Management in Canada, bringing the company's investment at the school to nearly US\$12 million. The software also will be used to conduct research; expose students to analytics activities in healthcare, green infrastructure, clean energy and utilities, transportation, and public service; and expand the school's research network to other departments and universities.

The explosion of online data offers a vast amount of information for organizations, making it imperative that students learn the analytics techniques to mine it effectively, says Ravi Dhar, director of Yale's Center. "With this type of training under their belts," he says, "students can be productive sooner in their new job roles."



IBM has invested **US\$14 billion** in analytics. It projects **US\$16 billion** in business analytics and optimization revenue by 2015.

NEWSBYTES

■ FINANCE LAB AT SMU

Singapore Management University has partnered with New York Stock Exchange Technologies to develop educational labs for students in SMU's Master of IT in Business program. The labs will provide students hands-on access to market data from several stock exchanges, as well as trading system technologies such as Data Fabric middleware, Risk Management Gateway, and FIX engines. The labs also will be used in the school's financial markets technology course.

■ GRANT SUPPORTS VIRTUAL RESEARCH

A multidisciplinary team from Indiana University and Arizona State University has received a \$297,929 grant from the United States' National Science Foundation to continue its study of the use of computer-generated 3-D virtual environments. Led by Anne Massey of IU's Kelley School of Business, the team began its project with an original NSF grant in 2009 and will continue the research until 2013. The goal of the research is to discover how 3-D environments such as Second Life can drive collaborative performance in business and education.

■ UT LAUNCHES ONLINE PUB

The University of Texas at Austin has launched Texas Enterprise, an online

publication to highlight its faculty's research and opinions on national and global business and public policy issues. The publication features multi-part series

focused on single topics, including "Greed: Is It Still Good?" and "Is It a Recovery Yet?" The site also includes a blogging commu-



OHIO'S ACCELERATOR

The Ohio Third Frontier and The Ohio State University's Fisher College of Business in Columbus are piloting the Ohio New Entrepreneur (ONE) Fund, an accelerator designed to attract young technology entrepreneurs to Ohio. The ONE Fund is working with approximately ten competitively selected


teams, each provided with US\$20,000 for business and living expenses, as well as access to experienced entrepreneurs, experts, and investors who will offer guidance about launching an IT startup in Ohio. Participants have agreed to live in Ohio for the 11-week duration of the program, which started June 13 and ends September 1.

NEW BLOG FROM UCLA

The UCLA Anderson School of Management has launched Business Beyond Usual, a blog to cover topics related to the school's

faculty, alumni, students, and events. The blog can be found at blogs.anderson.ucla.edu/anderson/.

GOING ONLINE FOR UNDERGRADS

The University of Iowa's Tippie College of Business in Iowa City has created an online bachelor's degree program in business management, with a concentration in entrepreneurial management, for students unable to travel to Iowa City for classes. Students enrolled will attend classes via streaming video lectures and interactive, real-time class meetings. 

Annual Accreditation Conference

September 25–27, 2011 | Philadelphia, Pennsylvania, USA

Join your colleagues at the accreditation event of the year.

As you strive to deliver world-class education, you can find the tools you need to succeed at the Annual Accreditation Conference: the latest trends, information, and insight into global accreditation. No matter where your school is in the accreditation process—up for its 5th maintenance review, preparing the eligibility application, or thinking about becoming an AACSB member—if you are committed to quality management education, attending this conference can provide you with answers and resources based on your situation. Join your colleagues representing institutions of all sizes from around the world at this premier event to explore how AACSB Accreditation serves as the foundation and provides the framework necessary for quality assurance and excellence at b-schools worldwide.

Save 200 USD—register before August 12, 2011 at www.aacsb.edu/Accreditation-Conference



your turn

by Robert A. Schwartz

Sparking Excitement About Economics

ECONOMICS COURSES should be among the most fascinating classes in the business school, but students are frequently bored by them. Yet markets lie at the heart of economic activity, and their operations are exciting to study, so why the boredom? In typical classes, markets are presented as perfectly liquid environments with no problems, no frictions—and no connection to reality. They are nothing more than abstract, magical lands where demand meets supply so that prices and quantities can be established.

In the real world, markets are rife with impediments, bound by government regulations, and constantly impacted by new technology. Actual markets are replete with transaction costs, blockages, and fuzzy information. Both corporate leaders and heads of households are often forced to make choices based on information that is incomplete, imprecise, and sometimes irrelevant. These marketplace realities are called frictions.

When the financial crisis erupted with full force in 2008, a widespread evaporation of liquidity had dire consequences for markets around the world. Credit lines froze, an increasing number of nonfinancial firms headed toward bankruptcy, and ordinary people were left startled, mystified, out of jobs, and out of savings. It became crystal clear that the financial sector is not a simple, frictionless conduit for transmitting funds from those who save to those who invest. On the contrary, the finance function is complex, it pervades the markets, and when it fails, it can almost bring down the broader economy.

If the realities of the marketplace had been taught in the classroom,

events such as those of 2008 might not have caught so many people so woefully unprepared. But to teach economics properly, we must do more than reel off the eye-popping names of market impediments like asymmetric information, short-run myopia, principal-agent problems, under-production of public goods, technological inertia, and systemic risk. We have to examine how these impediments keep a market from delivering the results the public wants. And we must do this in an engaging fashion.

In traditional economics courses, we carefully explain to our students that prices are set where demand and supply curves intersect in those perfectly competitive markets that we love to teach. We further explain that price and quantity distortions occur when a free market encounters interferences from government-imposed price ceilings or floors, or sales taxes or subsidies. But we can take a more exciting approach.

For instance, we can introduce students to the complex and fascinating market for already issued equity shares—i.e., the stock market. Professors should dive into the rules, regulations, and technology that determine how orders are written and turned into trades. In today's electronic environment, trades are made and prices set within milliseconds. Some schools introduce students to these realities through trading rooms and student-managed funds. But a trading room's huge potential for demonstrating microeconomic concepts remains largely untapped.

And there are other ways to bring the tension, time pressure, and excitement of a marketplace into the classroom. In my classes, I have students study what happens when they're dealing with the equity shares of an exchange-listed company. Here's how to do it. First have them operate in the make-believe world of a perfectly competitive market, where there are no large, institutional investors, only a sizable number of small, retail customers. Next tell them that price discovery will take place on the exchange, and that



In the real world, markets are rife with impediments, bound by government regulations, and constantly impacted by new technology.



MOODBOARD PREMIUM/GLOW IMAGES

prices will be based on the orders submitted by these retail customers. Then pose the big question: “How do retail customers price their orders without first knowing the prices at which they will be able to trade?”

In a perfect and frictionless world, the answer is straightforward. Each participant submits the array of prices at which he’s willing to buy or sell various quantities of the merchandise; this produces the famous supply-and-demand equations that set the equilibrium price.

Now introduce a friction in the form of a real-world impediment. Require that each player submit only a single order—one price, one quantity. What happens? To answer this question, students must understand that a customer decides his optimal trading strategy by determining what his gain from trading might be and what he expects the prices to be.

But the real benefit of this exercise comes when they realize the punch line. When retail customers place their buy and sell orders in a market for which they have incomplete price information, the clearing price will almost never achieve the equilibrium it would in a frictionless environment. That is, even a freely operating market in a highly competitive environment will produce inefficient prices—because the world itself is full of impediments.

There *are* no perfect markets. And that’s what should make economics an exciting field of study.

One of my favorite tools for helping students experience the impediments and the imperfections of the marketplace is a computer simulation product known as TraderEx, which I have had a role in developing. In the simulation, students, by acting as buyers and sellers, directly experience how different market structures lead to different outcomes. The simulations include information releases so that students can experience the dynamic translation of news into transaction prices. Students quickly

realize that their orders will affect market prices and that their strategic decisions depend on market structure.

Other lessons are equally important. For instance, government regulations are an integral part of markets, and they should be discussed as such. But our courses should also help students appreciate how daunting it can be to formulate sound public policy.

Additionally, professors can make economics courses inherently more interesting to students by analyzing examples they’re familiar with from daily living. For instance, we’re currently enduring a labor market in which job vacancies co-exist with high unemployment—a topic of great interest to students who will soon be looking for positions. How can such a situation occur? Economists Peter Diamond, Dale Mortensen, and Christopher Pissarides won the 2010 Nobel Prize for work that relates to such frictions in search markets.

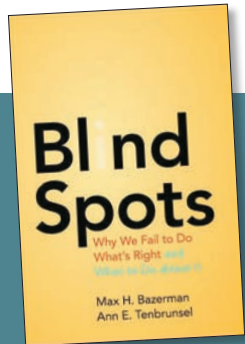
Another way to make economics classes more vibrant is to fill them with real-world examples of various market structures. I’m not referring to the standard distinction between competition and monopoly, but to the “microstructures” of different markets that operate in different ways. For instance, students might compare the microstructures of the housing and art markets. Each has its own architecture, operates with substantial illiquidity, and bears sizable transaction costs; for each, it’s difficult to deliver reasonably accurate prices for the sales that are made. What makes them different? What are the similarities?

Today, oil is on everyone’s mind. Why are prices soaring? Is it because of changes in supply and demand? Should we fault OPEC or speculators? Should we look at the microstructure of the energy market? And how should we set public regulatory policy? These questions continue, and they should be asked in the classroom.

It’s my belief that more economics professors should seek out teaching tools like simulations or other materials that will make it exciting for students to learn about market operations. It’s essential that we teach today’s business students about sources of market inefficiency, the realities of market architecture, and the challenge of formulating sound public policy in a far from perfect world. If we don’t, *we* are the ones who have failed to learn some important lessons from the events of 2008. **Z**

Robert A. Schwartz is Marvin M. Speiser Professor of Finance and University Distinguished Professor at the Zicklin School of Business, Baruch College, New York, New York.

bookshelf



BLIND SPOTS

AUTHORS: Max H. Bazerman and Ann E. Tenbrunsel

PUBLISHER: (Princeton University Press, US\$24.95)

MOST PEOPLE aren't as ethical as they'd like to think. Not because they're bad people, but because when dilemmas arise they aren't aware of their intrinsic biases, or they don't realize that their emotions are guiding their decisions, or they aren't even aware that the situation has an ethical dimension. The emerging field of behavioral ethics seeks to understand why people react to quandaries in certain ways—even ways directly counter to their own moral standards. Without an understanding of such human impulses, the authors say, corporate training programs and business school classes will never teach executives to change their ways. “Most of us behave ethically most of the time,” write Bazerman of Harvard and Tenbrunsel of the University of Notre Dame. “At other times, we are aware when we behave unethically. This book focuses on more dangerous situations: the times when we unwittingly behave unethically.” Well-written, stuffed with intriguing research, and more than a little unnerving, this book will make readers reconsider some of their most entrenched beliefs.

THE ECONOMICS OF ENOUGH

AUTHOR: Diane Coyle

PUBLISHER: Princeton University Press

PRICE: US\$24.95

WORLD ECONOMIES are struggling to emerge from economic turmoil, but they won't succeed unless all nations work together to solve enormous, complex problems. Coyle, a consultant and visiting professor at the University of Manchester, identifies several key obstacles to economic recovery: a worldwide erosion of trust in governments, banks, and other institutions;

growing inequities in the distribution of wealth; high national debt; climate change; and aging populations. These crises are playing out against an economy where rapid changes in information and technology communications (ICT) are outpacing any government's abil-

ity to regulate them. To salvage the present without mortgaging the future, Coyle proposes difficult solutions, from revising government policies to adapting “institutions in general to the structure of the economy as it is emerging in the ICT age.” Her book not only lays out the challenges ahead, but also describes “the terrain of much-needed new politics, which will be crucial if there's to be any hope of shaping economies and societies that will serve people better in the future.”

VALUE

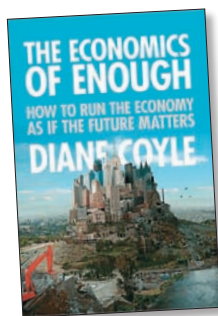
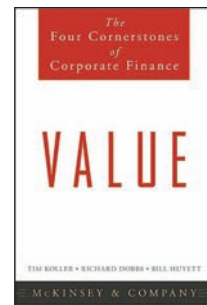
AUTHORS: Tim Koller, Richard Dobbs, and Bill Huyett

PUBLISHER: Wiley

PRICE: US\$29.95

COMPANY LEADERS find it easy to be seduced into believing that new and much-hyped market strategies will help them grow their businesses. But three partners from McKinsey & Co. sound a warning: “Financial engineering, excessive leverage, the idea during

inflated boom times that somehow old rules of economics no longer apply—these are the misconceptions upon which the value of companies are destroyed and entire economies falter.” They're convinced that the best measures of company value are four unchanging cornerstones, all of them straightforward, if hardly simple. The *core of value* cornerstone, for instance, states that value creation is driven by a combination of growth and return on invested capital, and the authors painstakingly show how this is a much better measure than the earnings and earnings growth metrics so beloved by analysts. Other cornerstones—conserving value, dealing with outside expectations, and analyzing the value brought by the owners—are similarly explained and dissected. This is a dense, detailed, brainy book that gives readers much to consider.



CAPTURING NEW MARKETS

AUTHOR: Stephen Wunker
PUBLISHER: McGraw-Hill
PRICE: US\$30

THE FIRST COMMERCIAL cell phones cost US\$3,500 and weighed 28 ounces. In 1980, AT&T analysts predicted only 900,000 would be in use by 2000. (They were off by more than 700 million.) Wunker offers these figures to illustrate the

dangers of gauging new markets by the standards of established ones. “Borrowing techniques used in established markets is often folly,” writes Wunker, founder of New Markets Advisors. “Past trends cannot be extrapolated, growth estimates are wild guesses, and competitors are unknown,” he writes. Wunker examines the strategies companies must embrace

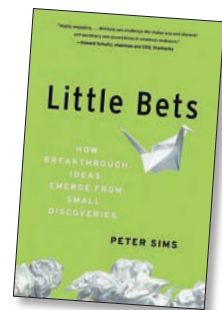


instead to identify, assess, and enter new markets, such as determining customer interest through prototyping and social media, then plotting how the market could evolve. There’s much more to consider, of course, and Wunker does an excellent job of helping CEOs and entrepreneurs recognize the next big thing.

LITTLE BETS

AUTHOR: Peter Sims
PUBLISHER: Free Press
PRICE: US\$26

INDIVIDUALS AND companies that remain successful over the long haul don’t play it safe by sticking to what’s worked so far. They constantly experiment with ideas, processes, and products, and they aren’t afraid to fail repeatedly until they get something right. Sims deconstructs the surprisingly similar process of a wide variety of creative powerhouses to discover how they try out new ideas, learn from their mistakes, and move on to something even better. Among other things, he examines the way Chris Rock assembles a new comedy routine, the U.S. military adapts to new opponents, and film company Pixar develops new technology. Sims, a novelist and journalist, frequently references the work of researchers at Stanford, INSEAD, the University of Virginia, the University of Chicago, and BYU, while also offering interviews with dozens of artists, CEOs, and tacticians. The result is a rich and intriguing book about trying, failing, and succeeding. **Z**



Don't Miss

Top business schools and leading corporations are rife with personalities that Thomas J. DeLong calls “high-need-for-achievement professionals (HNAPs).” In **FLYING WITHOUT A NET**, the Harvard professor identifies the traits that define these individuals, the anxieties that prevent them from effecting positive changes, and the tools they can use to redefine their lives. If you’re an HNAP, DeLong writes, “you feel like it’s been too long since you’ve had control over and freedom in your work life. You doubt whether your addictions to work and achievement could be managed.” His message: It’s not easy, but it is possible. (Harvard Business Review Press, US\$29.95)

THE WALL STREET JOURNAL GUIDE TO INVESTING IN THE APOCALYPSE, as the title suggests, takes a cold, unflinching look at the potential profits to be made in times of crisis. “Event-based investing ... requires an ability to anticipate seemingly earth-shattering events and to measure the risks appropriately,” write James Altucher and Douglas R. Sease, who both have ties to the *WSJ*. Though they admit the book could fairly be called “opportunistic investing,” their aim is to provide fearless investors with positive, proactive guidance to survive disaster with their portfolios intact—even improved. (HarperBusiness, US\$15.99)

Not only do great leaders seek to fulfill their own potential, they also encourage their employees to fulfill their potential, writes Justin Menkes in **BETTER UNDER PRESSURE**. To do so, they must possess realistic optimism, subservience to a purpose, and the ability to find order in chaos. Consultant Menkes makes the point that the “recursive loop” of great leadership is only possible within the context of a group or an organization. “This repeating process that drives individuals to press for ever more challenging but meaningful achievements explains why people could never hope to do so alone.” (Harvard Business Review Press, US\$29.95)

idea exchange



Cameras record students' every gesture and expression as they practice their sales techniques.

Selling Solutions

TEACHING BUSINESS STUDENTS the art of selling can be an art in itself, and business schools with sales programs are looking for the best methods to give their students an edge. That's what faculty had in mind at the Huizenga School of Business and Entrepreneurship at Nova Southeastern University in Davie, Florida, when they designed a new sales curriculum and the 8,200-square-foot Huizenga Sales Institute.

The school interviewed HR and training professionals at 37 companies to ask what skill they valued most in their employees. "Communication and sales skills were at the top of their lists," says Dennis Dannacher, associate dean of enrollment services and program operations.

The school's new sales curriculum helps students master sales techniques in three ways:

- **Adopting a philosophy of selling.** Huizenga faculty collaborated with the Sandler Sales Institute based in Owings Mills, Maryland, to design a curriculum based on buyer-centric techniques that David Sandler created in the 1960s. "He thought salespeople should do 30 percent of the talking and 70 percent of the listening," says Charlie Pettijohn, director of the institute.

That philosophy lined up with what employers were saying, which is why Michael Fields, Huizenga's dean, based the curriculum on Sandler's methods. "Few things could benefit our students more than to learn to better lis-


ten and to more effectively tailor products, services, and ideas" to client needs, he says.

- **Providing more time for practice.** The institute includes 16 interview rooms, each equipped with cameras to record students as they complete sales scenarios. Faculty can view students' body language and expressions on LCD monitors. The screens also can be turned off to minimize distractions.

Students can use the rooms on their own to practice and review their performances. "It would take four hours for 30 students to each do an eight-minute in-class presentation. Now, we don't have to use class time, and students can practice more often," says Pettijohn.

- **Creating video portfolios.** During the semester, students will complete about 16 different role-play presentations. They'll save their best work in DVD portfolios to show to employers, says Pettijohn.

The institute will support several new programs in sales, including a BBA, an undergraduate minor, MBA concentrations in sales and sales management, and graduate-level certificate programs. The school also will rent its interview rooms, two 14-seat conference rooms, and a 170-seat auditorium to corporate users for sales training, remote job interviews, and receptions.

Overall, the facility creates more ways for students to learn, for faculty to teach, and for the school to attract companies to its campus, says Pettijohn. "As more companies use the institute, they'll see the skills our students are developing," he adds. "Our goal is to help our students get placed." 



"What skills are of most value to your company?"

The question Huizenga faculty asked more than 400 HR and training professionals at 37 companies. At the top of their lists: Listening, communication, negotiation, and conflict resolution skills.