

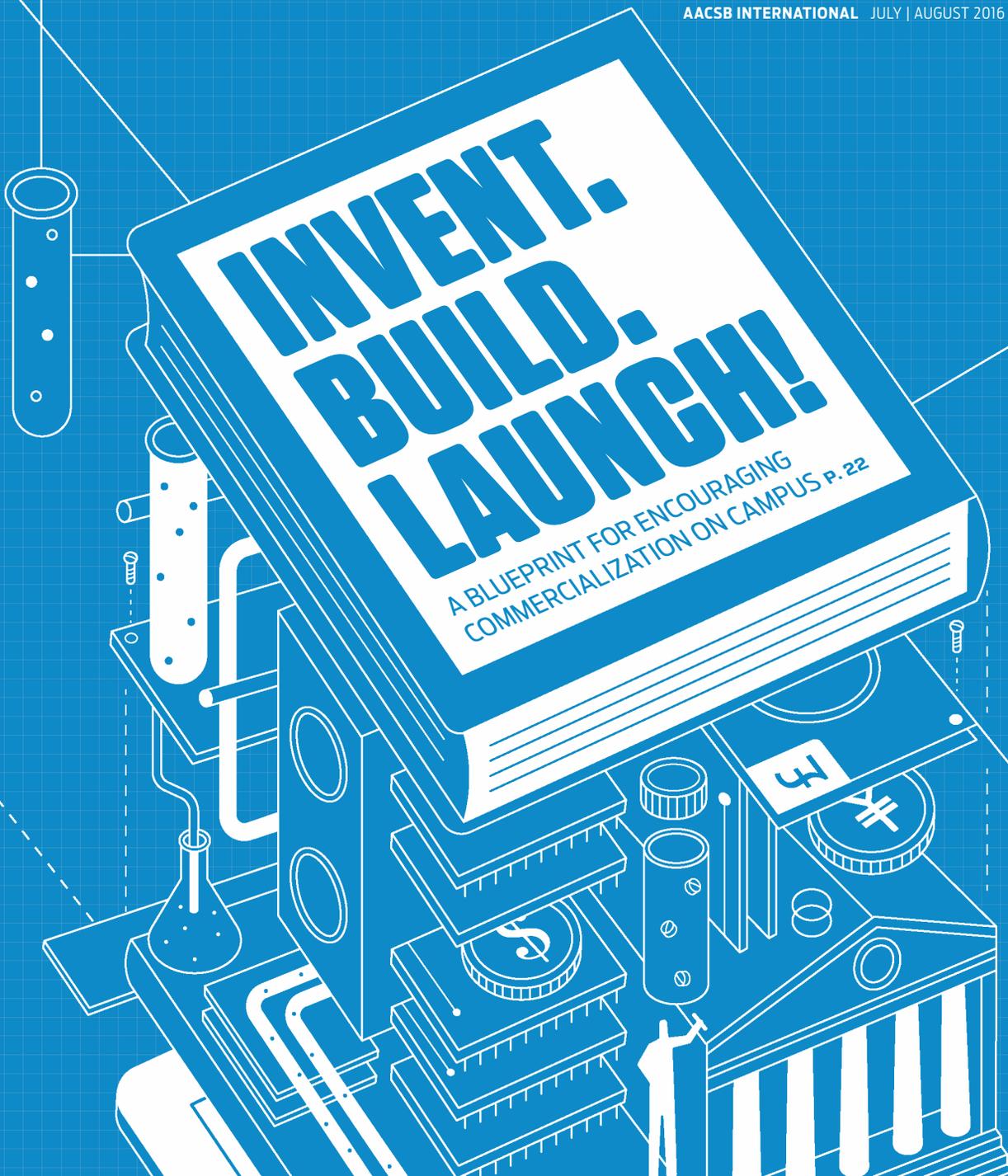
**STUDENT ANGELS**  
WHEN STUDENTS HELP VENTURE  
CAPITALISTS CHOOSE WHICH  
STARTUPS TO FUND **P. 36**

**ASKING QUESTIONS**  
WHY IT'S ESSENTIAL FOR  
STUDENTS TO BECOME EXPERT  
INTERVIEWERS **P. 42**

**RAPID REBUILD**  
HOW ONE BUSINESS SCHOOL  
GREW ITS STRUGGLING MBA INTO  
THE LARGEST IN ITS MARKET **P. 48**

# BizEd

AACSB INTERNATIONAL JULY | AUGUST 2016



# GREEN BELT MEANS GO

What sets global supply chain and operation management (GSCOM) students at the Darla Moore School of Business apart from the rest? Moore School students learn through practical and highly analytical instruction in supply chain and operations management, apply their skills through real-world consulting projects within partner companies and earn an industry-validated Lean-Six Sigma Green Belt Certification. The Moore School combines the best of academia with industry partnerships to give partner companies innovative and value-added solutions to their supply chain and operations challenges. Our graduates begin their careers equipped to manage next-generation supply chains from day one.



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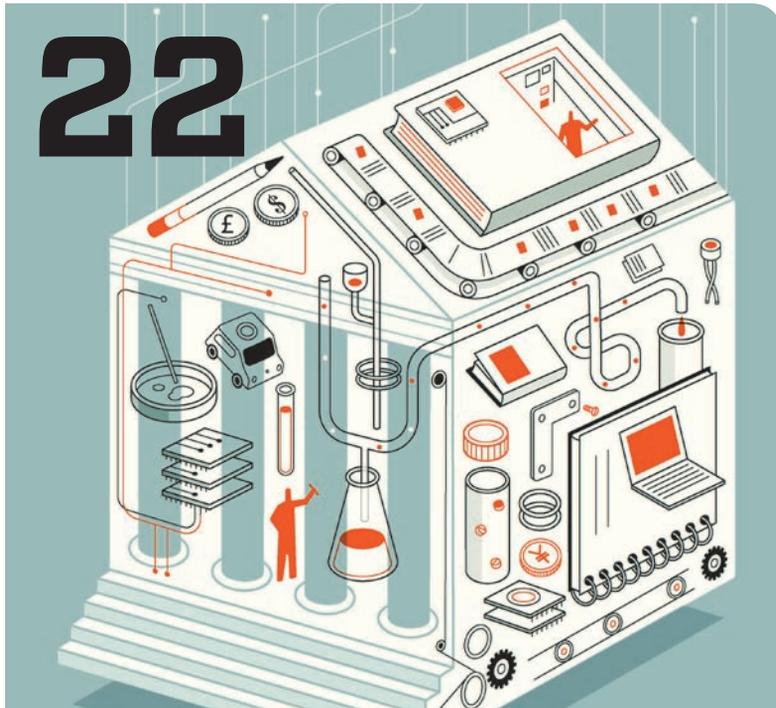
Five R. Gene Richter Scholar winners in the last six years



GSCOM students gain high paying career positions in manufacturing, distribution, healthcare, financial services, consulting, and technology firms in the U.S. and beyond

APICS

Students have the opportunity to earn the Certified in Production and Inventory Management (CPIM) designation from APICS



## 22 **State of Development**

As technology transfer offices become more integral to university life, business schools will be playing ever greater roles in their operations.

## 30 **Crash Course in Commercialization**

Don Rose and Cam Patterson outline what schools need to know before they set up tech transfer offices to commercialize faculty inventions.

## 36 **Student Angels**

At Willamette University in Oregon, students join angel investment groups to help decide which startups deserve funding.

## 42 **Learning to Ask The Right Questions**

For business students to become great managers, business schools must teach them to ask great questions—and be great listeners. David Steinberg turns to journalists to find out how.

## 48 **Rapid Rebuild**

How the University of Houston–Downtown grew its MBA program from smallest to largest in its market—and in the minds of employers.



### RESEARCH & INSIGHTS

- 12 **Small Rewards, Big Learning** Even micro incentives lead to increased motivation.
- 14 **Fear of Ambiguity** The less people know about a situation, the more likely they are to stick with a sure thing.
- Plus:** Why bad workers are tolerated, and when firms are more likely to succeed in foreign markets.

### IDEAS IN ACTION

- 54 **House Rules** Syracuse assigns undergraduates to one of four “houses” where they compete—and bond.
- 58 **Maker Majors** At Western New England University, business and engineering students collaborate.
- Plus:** Celebrating free textbooks and crowdsourcing classmates.
- 60 **Bookshelf**

### PEOPLE & PLACES

- 62 **Learning in Cuba** UC Irvine and the University of Havana build ties.
- 63 **Funding the SDGs** New Center on Sustainable Development established in Kuala Lumpur.
- Plus:** The University of the People adds an MBA, and 15 schools name new leaders.
- 72 **At a Glance**



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For departments such as Research & Insights, Ideas in Action, or People & Places, schools can submit information and images that highlight recent research, new books, news announcements, industry events, or specific aspects of their programs. Digital images must be saved at a high resolution (300 dpi or higher in JPEG or TIFF format) and at a size of 3" x 4" or larger.

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with funding, patenting, and licensing—suddenly their ideas can take flight.

With universities doing more to convert campus-based innovations into marketable solutions, we wanted to delve into how commercialization is evolving in higher ed. In “Crash Course in Commercialization,” Don Rose and Cam Patterson, co-authors of a guide for university-based tech transfer, lay out strategies for developing and sustaining successful campus commercialization ventures. Not surprisingly, these strategies rely on business schools to provide savvy managers to help scientists write viable business plans and build successful startups.

In “State of Development,” educators leading commercialization efforts share their universities’ lab-to-market strategies. Julie Nagel, associate vice chancellor for innovation and entrepreneurship at the University of Kansas in Lawrence, tells us that if universities want their faculty to put the effort into turning their research into business opportunities, they’ll need to offer support each step of the way. “Our job is to make the process easier and identify the right partners to help faculty develop their technologies,” she says. “If faculty want to develop a vaccine that will save children’s lives in emerging nations, they’re not going to be able to do that by staying within the boundaries of their universities.”

That kind of support is crucial, especially to those like my brother and the EMT who might not initially view themselves as entrepreneurs. It means that faculty with great ideas are more likely to defeat the so-called valley of death, bridging that gulf between proof of concept and—if all goes well—a profitable and productive venture.

Tricia Bisoux  
Co-Editor

# Ideas with Impact

**A FRIEND OF MY FAMILY** is an emergency medical technician. Many years ago he came to my brother, a tool designer, with a problem EMTs faced in the field. He explained that he and his fellow EMTs had no good place in the ambulance to put an IV bag except on a patient’s chest, which seemed both unstable and dismissive of the patient’s experience. So, he and my brother created a workable prototype to address the problem. They even asked other EMTs to test the prototype in the field and received enthusiastically positive feedback.

But then the two of them ran into obstacles. First, securing a patent was expensive and time-consuming, and patent attorneys weren’t common in the rural area where they lived. Second and more important, neither was sure how to scale the product into a business. Uncertain of how to proceed, they abandoned the project. Their experience begs the question: How many other ideas fade away, not for lack of potential but for lack of support? Entrepreneurs call this precarious gap between invention and implementation the “valley of death” for good reason.

University administrators are becoming keenly aware of this gap, particularly as it affects their faculty’s research discoveries. After all, if professors have great ideas but lack the support to take them to market, their innovations will have little impact. But if professors have access to workshops where they can learn about startup creation, incubators where they can develop concepts, and offices of technology transfer that will help them

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- Curriculum innovation.

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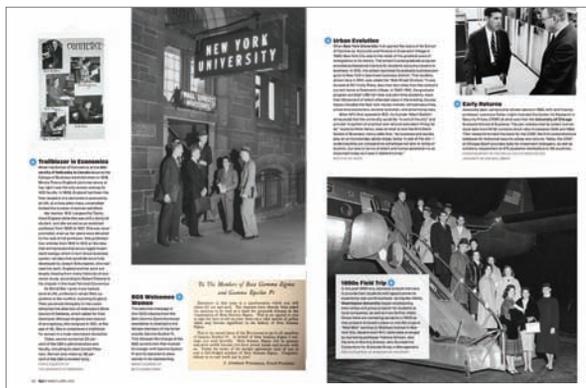
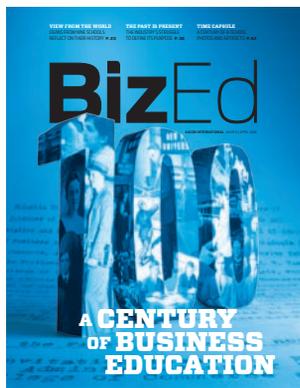
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# Setting the Record Straight



**THANK YOU FOR YOUR WONDERFUL ARTICLE,** “Time Capsule: A Photo History of Business Education” in your March/April issue! I enjoyed reading it. These illuminating moments certainly make business education more personal.

Minnie Throop England, a professor at the University of Nebraska, Lincoln (UNL), is a good choice for an early woman trailblazer for her essays in economic theory, but I do have some issues with the following paragraph: “As World War I grew more heated, several UNL professors voiced their opposition to the conflict, including England. Their perceived disloyalty to the cause attracted the attention of Nebraska’s State Council of Defense, which called

for their dismissal. Although England was cleared of wrongdoing, she resigned in 1921, at the age of 45.”

England was not one of the professors at UNL who opposed World War I; far from it, she was counted among the leaders of the militantly patriotic group of faculty who worked with the Nebraska State Council of Defense. The State Council pressured the university board of regents to conduct a trial in the law school of eleven professors and one staff member. The charge was disloyalty.

England thought Clark Persinger, a professor of American history, to be extremely disloyal for voicing his own opinions and standing up for free speech. They carried on their differences in let-

ters to the editor in Lincoln newspapers. England was among the five professors who were fired initially, but she was fired for continuing to hang out “dirty laundry” in the press that made it easier for the State Council to attack the university.

She and Fred Morrow Fling were given a chance to address the charges before the board of regents. Both professors were allowed to return. The other three who protested or were pacifists did not have that opportunity and were fired.

One good work on the infamous trial is *Prairie University. A History of the University of Nebraska* by Robert E. Knoll (University of Nebraska Press). See “The Anti-German Witch Hunt of 1917-1918” on pages 65-67.

This in no way should diminish the importance of Professor England’s work in economics.

Many thanks!

*Frank Edler*

Editor of the *Sentinel*, the newsletter of the Academic Freedom Coalition of Nebraska in Lincoln

*We appreciate your thoughtful letter! Thank you for correcting our facts and clarifying England’s compelling legacy.*

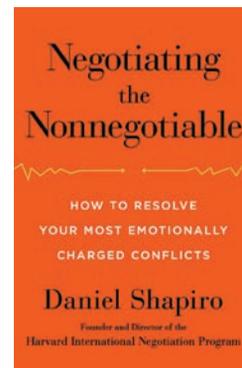
## CORRECTIONS

In “Starting Points,” which also appeared in the March/April issue, we incorrectly named Clark Atlanta University as the first among historically black colleges and universities (HBCUs) to earn accreditation from AACSB International in 1974. While Clark Atlanta was the first to earn and continuously maintain AACSB accreditation, Texas Southern

University’s School of Business (now the Jesse H. Jones School of Business) in Houston actually was the first HBCU to earn the distinction. It achieved its initial accreditation from AACSB (then called the Assembly of Collegiate Schools of Business) in 1968, under the leadership of its dean Milton Wilson. Although the school’s accreditation was not

reaffirmed in the 1980s, the Jones School of Business was granted ten-year accreditation by AACSB in 2002.

In the Bookshelf section of the May/June issue of *BizEd*, the name of the author of *Negotiating the Nonnegotiable* was incorrectly given as David Shapiro. The author is Daniel Shapiro.



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For more information on SJU's Family Business & Entrepreneurship major, visit [sju.edu/entrepreneurs](http://sju.edu/entrepreneurs).

# calendar

August 22–23

## Business Accreditation Seminar

Sydney, Australia

The sessions of this interactive seminar will walk through each of the 2013 AACSB Accreditation Standards. Attendees will learn about the processes leading to initial accreditation and continuous improvement review. *Assurance of Learning Seminar I & Assurance of Learning Seminar II will follow this event at this site on August 24 and August 25, respectively.*

September 18–20

## Annual Accreditation Conference

Minneapolis, Minnesota

#AACSBaccreditation

Attendees will address issues related to technology implementation, online education, executive education, faculty development, research impact, globalization, financial strategies, and accountability as they relate to a school's continuous improvement and accreditation reviews. Sessions also will explore corporate engagement, innovation, and tools that support schools at all stages of their accreditation strategies.

September 21–23

## Asia Pacific Annual Conference

Macau, China

#AACSBap

Participants will examine how trends such as aging populations, talent shortages, and environmental concerns will shape Asian business education, and how those challenges will present opportunities for b-school innovation.

October 20–21

## Leading in the Academic Enterprise: Leading People & Organizational Change

Tampa, Florida

This seminar will train attendees interested in taking on academic leadership roles at their schools to build and maintain trust and consensus, resolve conflict, and allocate resources. Jackson Nickerson of Washington University in St. Louis, Missouri, will facilitate.



## Europe, Middle East & Africa Annual Conference

Madrid, Spain

#AACSBemea

This program will bring together business school administrators and educators from across the region to discuss challenges related to achieving impact, fostering innovation, adapting to changing business and faculty models, implementing new technologies, and promoting responsible management and sustainable business practices. Santiago Iñiguez will serve as conference chair.

► For a complete listing of AACSB International's seminars, conferences, and webinars, visit [www.aacsb.edu/events](http://www.aacsb.edu/events).

October 24–27

## Assurance of Learning Seminars I & II

Tampa, Florida

These back-to-back workshops will take participants through the entire AoL process. Assurance of Learning I will introduce those recently appointed to AoL teams to successful AoL strategies. Assurance of Learning II will explore what it takes to implement AoL programs.

November 5–6

## Lessons for Aspiring Deans

Atlanta, Georgia

Participants at this seminar will hear advice from current deans, learn attributes of good dean candidates, and practice interviewing and negotiating techniques. *Seminar for New Associate Deans will run concurrently with this event.*

November 6–8

## Associate Deans Conference

Atlanta, Georgia

#AACSBassocdeans

Sessions will focus on areas such as faculty leadership and management, technological adoption, financial management, and impact.

### ALSO CONSIDER:

October 20

## Emerging Markets Conference

Singapore

Academics and more than 200 C-suite executives will meet at the INSEAD Asia campus to discuss whether emerging markets will be the source of continued global growth. Visit [events.insead.edu/emerging-markets-conference](http://events.insead.edu/emerging-markets-conference).

October 25–28

## EDUCAUSE Annual Conference

Anaheim, CA, and online

This event will explore issues ranging from mastering educational tech to managing digital risks to using digital-based knowledge. Online webcasts will be available live and on demand. Visit [www.educause.edu/annual-conference](http://www.educause.edu/annual-conference).

November 2–4

## GBSN & EFMD Joint Conference

Accra, Ghana

Educators will discuss how to define and deliver quality management education in the developing world. Event host will be Ghana Institute of Management and Public Administration. Visit [www.gbsn.org/africa2016](http://www.gbsn.org/africa2016).

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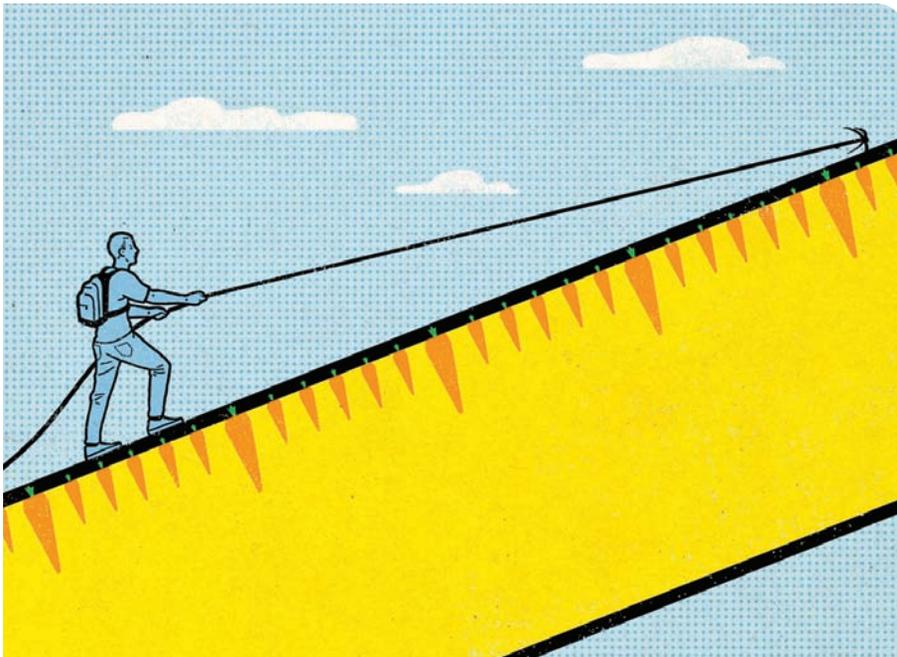


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*U.S. News & World Report's* 2016 edition of "Best Graduate Programs" ranked the following Haub School of Business Programs.

- **No. 12 Executive MBA**
- **No. 13 Finance**
- **No. 13 Marketing**

For more information on the Haub School of Business rankings, visit [sju.edu/hsbrankings](http://sju.edu/hsbrankings).



## Small Rewards Spark Learning

### USING MICRO INCENTIVES TO MOTIVATE STUDENTS

**HOW CAN BUSINESS SCHOOLS** motivate students to pursue better academic performance? Three scholars at two business schools in Austria have discovered that often, all it takes are (very) small incentives.

The researchers include Christian Garaus, a postdoctoral student at Vienna University of Economics and Business (WU); Gerhard Furtmüller, a senior lecturer at WU; and Wolfgang H. Güttel, a professor of resource management at Johannes Kepler University Linz. In a recent paper, they outline how they used “small rewards” to motivate students to embrace autonomous learning, defined as learning driven by interest in the subject matter rather than interest in a grade.

For the first part of their experiment, the professors surveyed a group of students to ask how many bonus points it would take to motivate them to complete an optional homework assignment. The students noted that, on average, it would require at least 0.75 points per assignment.

The professors then tested the power of small rewards with 1,350 students taking two sections of a required introductory course in human resource management. The professors chose this course for two reasons. First, they explain, “business students tend to regard behavioral studies as peripheral to the mainstream business curriculum.” Second, the course was delivered primarily online, making it even more challenging to engage students in the subject matter. Students had the option of attending class in person, but most chose to take it fully online.

Students who enrolled in both the September-to-November and November-to-January introductory HRM courses were offered the opportunity to complete optional 30-minute homework assignments. The first-term students were offered no bonus points for completing the optional homework. However, the nearly 700 second-term students were offered up to 0.70 points per assignment for doing so—deliberately less than the minimum threshold noted by students who had completed the initial survey. How much of the bonus they received depended on how many questions they answered correctly. All bonus points they earned would be added to their scores on the final exam, which had a maximum score of 120 points.

The professors found that students in the small-rewards section worked on nearly four times as many optional assignments as those in the no-rewards section. Moreover, the educators found that the effect of these small rewards spilled over into other assignments. The small-rewards group also completed nearly one-third more questions asked in the course’s practice exercises—and answered 15 percent more of those questions correctly—than students in the no-rewards section, even though they received no bonus points for doing so.

Although the small-rewards cohort also scored higher on the final exam, their test was not the same as the one

administered to the no-rewards cohort. For that reason, the researchers could not draw conclusions from students' final exam performance.

Previous research has noted that "large rewards are associated with decreased performance on nonrewarded behavior," the educators note. In that case, what makes small rewards effective? The professors explain that because small rewards are not sufficient to justify doing the rewarded task, students must find other motivation. In the process, they end up enjoying the learning experience more. "In other words," the authors write, "our results suggest that, while large external rewards cause a shift from internal to external justification, small rewards prompt a shift from external to internal justification, and thus boost autonomous motivation to learn."

The fact that the small rewards in this experiment promoted autonomous learning in an online course might be of particular interest to educators who are faced with the added challenge of improving their students' performance and participation from a distance.

"Management professors lament that too often students do not realize the importance of people-oriented courses until years after business school, when they come to wish they'd taken them more seriously," says Garaus. "Our results show how the use of small rewards to nudge behavior change can result in people's finding the change appealing in its own right. It doesn't require great imagination to see this as a technique with potential for many kinds of activities, from organizations' managing change to individuals' losing weight."

"The Hidden Power of Small Rewards: The Effects of Insufficient External Rewards on Autonomous Motivation to Learn" appeared in the spring issue of the journal *Academy of Management Learning and Education*.

## WHEN INCENTIVE PAY ISN'T ENOUGH

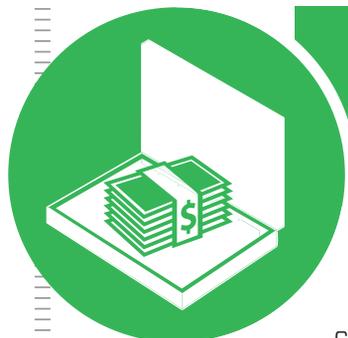
More firms are offering their managers incentive pay as a catalyst to improve work performance—but how effective is the practice? As it turns out, performance-based compensation might motivate some managers more than others, according to the co-authors of an upcoming study. They include Joyce Cong Ying Wang, a doctoral student at the Jindal School of Management at the University of Texas at Dallas, and Daniel Han Ming Chng, associate professor of management at the China Europe International Business School in Shanghai.

The two researchers examined differences in characteristics among managers—most specifically, their career ambitions and task attention. They did so within the context of a computer simulation, where they posed questions to part-time MBA students who had assumed the role of managers making strategic business decisions.

The researchers found that study participants who described themselves as having higher career ambitions were more attentive to the tasks before them, and in turn were more motivated by incentive pay. Those in this group who received incentives also took more risks in their decision making than those who described themselves as less ambitious. Such ambition-driven managers, Wang explains, "tend to invest more strategically, and they also are more likely to change strategies."

The study also found that the effectiveness of incentive pay was inversely related to company performance: The better a company's performance, the less incentive pay motivated managers to take strategic risks.

To reap most benefit from performance-based pay, the researchers advise, organizations might want to tailor their compensation packages more carefully, which might include offering incentive pay to their most ambitious managers. If their companies are growing, thereby making incentive pay less effective, leaders must know their managers well enough to choose more motivating alternatives.



Performance-based compensation might motivate some managers more than others.

Their paper, "An Experimental Study of the Interaction Effects of Incentive Compensation, Career Ambition, and Task Attention on Chinese Managers' Strategic Risk Behaviors," is forthcoming in the *Journal of Organizational Behavior*.

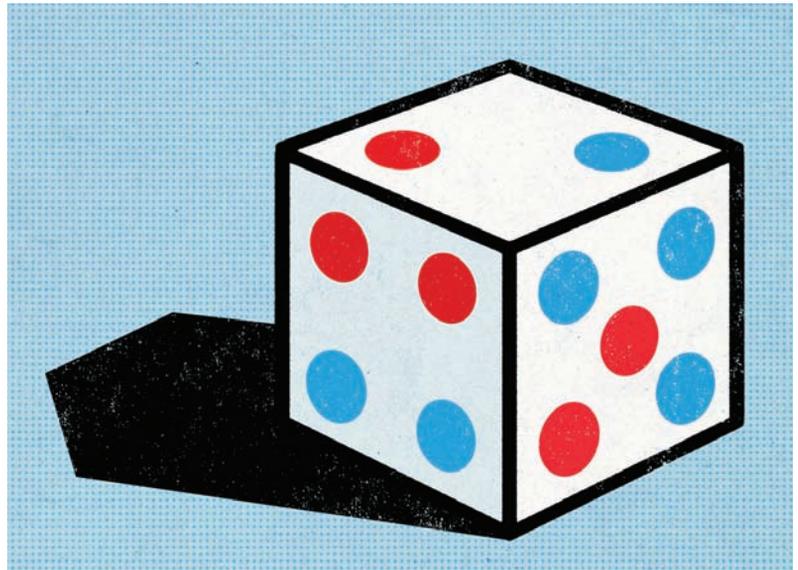
# Fear of Ambiguity

Researchers have known for a long time that risk aversion can have a huge impact on decision making, but more recently they have been studying the role of a particular type of risk aversion—a dislike of uncertainty or ambiguity. In ambiguous situations, individuals don't know the probabilities of different outcomes, so they are more likely to stick with something that seems like a surer bet.

Two researchers at the Kenan-Flagler Business School at the University of North Carolina in Chapel Hill have been studying the impact of ambiguity aversion on decision making: Paolo Fulghieri, the Macon G. Patton Distinguished Professor and area chair of finance, and David Dicks, an assistant professor of finance.

Fulghieri and Dicks point to the Keynesian example of a bucket filled with red and blue balls. Participants have the choice of receiving US\$50 now—or \$100 if they pull a blue ball out of the bucket. Most people chose the \$50 certainty over the 50-50 probability. But it's more complex when there are two containers. Bucket A has 50 red and 50 blue balls; Bucket B has 100 balls, but participants don't know the ratio of red and blue ones. Participants can select either hue as their winning color, as well as which bucket to draw from. If they choose balls in the right color, they receive \$100. Most people will choose from Bucket A, because they know their chances are 50-50; they avoid the ambiguity of Bucket B.

Fulghieri and Dicks have written three papers that pro-



pose mathematical models for understanding how ambiguity aversion affects decision making, especially in areas such as innovation, financial system risk, and corporate governance.

In terms of innovation, they note that investors must decide whether to fund inventions based on incomplete information. They predict that uncertainty-averse investors will be more optimistic when they can invest in additional innovative ventures to better manage risk. They also predict that these diversified investments will create innovation waves that lead more entrepreneurs to invest resources into uncertain ventures.

► [A working paper on ambiguity aversion by Fulghieri and Dicks is available at daviddicks.web.unc.edu/research/innovation/.](http://daviddicks.web.unc.edu/research/innovation/)

## THE MONEY OF THE FUTURE

Financial technology—also known as fintech—is a fast-growing field that gives a wide range of people access to financial services once available only to the elite. A new report called “Money of the Future,” which takes a close look at this phenomenon, was recently released by INSEAD of Fontainebleau, France, and Life.SREDA, a fintech venture capital firm based in Singapore.

The report includes raw data about the “money of the future” and discus-

sions of topics such as remittance tech and mobile point-of-sale (mPOS). According to the authors, Asia is currently the hottest market for fintech, and crowdfunding will continue to gain traction. While fintech is especially important to startups and VC firms, it will be crucial for government agents also to understand how the technology works.

“The business model of the traditional financial services industry

is ripe for disruption,” says Serguei Netessine, Timken Chaired Professor of Global Technology and Innovation and Research at INSEAD, director of the INSEAD-Wharton Alliance, and a contributor to the report. “Current major players in the industry will need to rethink their business models or risk being made irrelevant relatively quickly.”

► The report is available at [lifesreda.com/MoneyOfTheFuture\\_2016\\_eng.pdf](http://lifesreda.com/MoneyOfTheFuture_2016_eng.pdf).

# B-Schools Fall Short On Sustainability

**WHILE SUSTAINABILITY IS NOW** a mainstream topic in business curricula, it hasn't been completely embraced by b-school administrators, say researchers in the United Kingdom. The team included sustainability and ethics expert Mollie Painter-Morland, as well as Ehsan Sabet, Petra Molthan-Hill, and Sander de Leeuw, all of Nottingham Business School at Nottingham Trent University; and Helen Goworek of the University of Leicester.

To learn what European business schools were doing to embrace sustainability, the team analyzed data from a previous survey of deans, directors, and faculty conducted by the Academy of Business in Society (ABIS) in partnership with EFMD. They defined a school's attention to sustainability by its attention to four areas: ethics, society, corporate governance, and environmental performance (ESGE).

According to Painter-Morland, these deans shared promising attitudes about their business schools' ability to reduce their environmental footprints and adopt more sustainable procurement processes. "Unfortunately," she says, "the commitment toward integration of sustainability into campus management procedures is not matched with similar resolve."

Her team's analysis showed gaps between how business school leaders viewed their commitment to integrating sustainability concerns and how faculty viewed that commitment. The gap was particularly pronounced when it came to the extent to which school leadership provided the support and training required to make ESGE issues a mainstream part of the culture and curriculum.

For instance, significant disagreement existed between deans and faculty members when it came to supporting the ESGE champions, says Molthan-Hill. That disagreement revealed that "either deans overestimate their own support, or faculty members do not fully experience the leadership support of their superiors."

As a result, the researchers recommend that business school leaders add a new protocol called Systemic Institutional Integration (SII), which would help schools outline a plan and track their efforts to ensure that sustainability is not overlooked.

"SII ... is a commitment to the agenda from bottom-up, through all the organization's business practices, as well as ... top-down, through strong leadership directives," says Painter-Morland. "Those who are committed to transformation in business schools must receive real institutional support in terms of capacity building, through hiring criteria, strategies, and performance management policies. We cannot teach our students to do what we ourselves cannot muster within our own institutions."

Their report, "Beyond the Curriculum: Integrating Sustainability into Business Schools," is forthcoming in the *Journal of Business Ethics*.

"We cannot teach our students to do what we ourselves cannot muster."



## HOPE AND THE IMPULSE TO SPEND

U.S. residents who believe in the American Dream are less likely to indulge in impulse spending, while those who don't believe upward mobility is possible are more likely to spend impulsively. That's the conclusion offered in new research by Christian Kim, an associate professor at the Carey Business School at Johns Hopkins University in Baltimore, Maryland; and Sunyee Yoon, a doctoral candidate in consumer science at the University of Wisconsin in Madison.

For their research, Kim and Yoon conducted four experiments. In one, participants were given news articles that might influence their perception of economic mobility either positively or negatively; their likelihood of spending impulsively was measured once they were done reading.

"Individuals who believed there was not much hope for upward mobility were more inclined to spend now than to save for later," says Kim. "We believe that this research could be used to develop policies or interventions that could help reduce impulse spending of individuals."

"Keeping the American Dream Alive: The Interactive Effect of Perceived Economic Mobility and Materialism on Impulsive Spending" is forthcoming in the *Journal of Marketing Research*.

# Demystifying Global Markets

**ONE OF THE TRICKIEST** growth challenges multinational companies face is to replicate domestic business success in overseas markets. Even companies that plan carefully and enter favorable markets with growing economies can see their market entry initiatives fall short.

With this challenge in mind, four researchers have developed an assessment to help managers avoid international expansion pitfalls. The researchers include Douglas Quackenbos, adjunct professor at the University of South Carolina's Moore School of Business in Columbia; Richard Ettenson, professor of global marketing and brand strategy at Thunderbird School of Global Management, a unit of Arizona State University, based in Glendale; Martin S. Roth, dean and professor of management and marketing at the University of Hartford's Barney School of Business in Connecticut; and Seigyoung Auh, associate professor of marketing at Thunderbird.

The researchers based their assessment tool on a survey of 301 global business practitioners whose firms were active in foreign market entry.

Based on their scores in seven categories (see box at right), the 301 firms were classified into one of four groups according to their chances of achieving foreign market success: "Do Not Pursue," "Danger Zone," "Proceed with Caution," and "Full Steam Ahead."

Ninety-two percent of the 76 firms in the "Do Not Pursue" category and 69 percent of the 77 firms in the "Danger Zone" category had experienced unsuccessful international expansions. On the other hand, 76 percent of the 59 companies in the "Proceed with Caution" group and 92 percent of the 89 companies in the "Full Steam Ahead" group had seen their initiatives succeed. These findings suggest that the assessment tool can help business leaders predict whether their firms are poised to succeed overseas or whether they should avoid international forays altogether.

■ **"Does Your Company Have What It Takes to Go Global?"** appeared in April in *Harvard Business Review*. Find the article at [hbr.org/2016/04/does-your-company-have-what-it-takes-to-go-global](http://hbr.org/2016/04/does-your-company-have-what-it-takes-to-go-global).

The researchers' survey revealed seven capabilities of companies that excel at international expansion, which the researchers playfully refer to as the "Seven 'Tudes." These include:

- **Attitude**—the priority a company or division places on global business expansion.
- **Aptitude**—the possession of necessary experiential resources to succeed abroad.
- **Magnitude**—the ability to align the scale and scope of an overseas opportunity with a company's goals and capabilities.
- **Latitude**—the willingness to adapt company policies and practices to the opportunity.
- **Rectitude**—the knowledge of and commitment to the legal and ethical practices necessary for market success, along with the willingness to maintain corporate compliance.
- **Exactitude**—the creation of a corporate culture that tolerates financial ambiguity and market uncertainty.
- **Fortitude**—the commitment to global initiatives, even in the face of setbacks.

## No-Risk Entrepreneurship?

Statistically speaking, entrepreneurial ventures have a high risk of failure. However, a working paper by Gustavo Manso, an associate professor with the Haas Finance Group at the University of California, Berkeley, suggests that even if entrepreneurs fail, their long-term risk might not be as much as once previously thought.

Manso analyzed the National Longitudinal Survey of Youth-1979, which includes data that tracks the careers of 12,686 men and women over 30 years, whose ages ranged from 14 to 22 when the survey began in 1979. Manso placed each participant in one of two groups: those who were self-employed at some point in their careers and those who were never self-employed. Manso found that 52 percent of the entrepreneurial endeavors undertaken by

the first group lasted less than two years. However, most of those entrepreneurs were able to "fail quickly and ... limit their losses by moving back to the salaried workforce," Manso writes. By doing so, they limited any decrease in their lifetime earnings. Those who remained entrepreneurs, even after failures, earned 10 percent more over their lifetimes than those who never started businesses.

"Would-be entrepreneurs may think they have a huge chance of failure and will be sacrificing earnings, but it's not true," says Manso.

■ **Manso's working paper, "Experimentation and the Returns to Entrepreneurship,"** is available at [faculty.haas.berkeley.edu/manso/ee.pdf](http://faculty.haas.berkeley.edu/manso/ee.pdf).

# RISK & DIVERSITY ON TODAY'S BOARDS

**BOARDS ARE TAKING ON** more strategic roles within their companies, but many of them aren't prepared to handle global risks, and most of them aren't as diverse as they need to be. Those are among the findings of the 2016 Global Board of Directors Survey released in April by Boris Groysberg, the Richard P. Chapman Professor of Business Administration at Harvard Business School in Boston, Massachusetts; Jocelin Yo-Jud Cheng, a doctoral candidate at HBS; executive search firm Spencer Stuart; the WomenCorporateDirectors (WCD) Foundation; and researcher Deborah Bell. The survey gathered responses from more than 4,000 male and female directors in 60 countries.

According to respondents, there is a "gap between best practice and reality" when it comes to the ability of boards to handle strategic challenges, especially regarding talent issues. For instance, both public and private company directors named "attracting and retaining top talent" as one of their top strategic goals; yet most gave their own boards relatively low ratings on talent issues such as board diversity, HR/talent management, CEO succession planning, and director evaluations.

The report also found that the top three issues board directors consider most relevant are the economy, the regulatory environment, and cybersecurity. Women are more concerned about risk than male directors, and women are also the ones pushing for more formalized mechanisms for board turnover, such as setting retirement ages and term limits.

Regarding a lack of diversity on boards, the researchers noted that private and public companies tend to have similar proportions of female and ethnic minority directors on their boards and asked why the number of

women on boards is not increasing. Older male respondents cited the "lack of qualified female candidates" as the primary reason; women believed that it came down to the fact that diversity is not a priority in board recruiting; and men under the age of 55 said that the reason was that traditional networks tend to be male-dominated. Another problem



**9%** of male directors support boardroom diversity quotas.

might be that boardroom diversity quotas aren't popular: 49 percent of female directors support them, but only 9 percent of male directors do.

▶ Download the report at [www.womencorporatedirectors.com/page/\\_2016boardsurvey](http://www.womencorporatedirectors.com/page/_2016boardsurvey).

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# CFOs Look to the Future



**ABOUT A THIRD** of the world's chief financial officers believe their countries' economies will be in recession by the end of 2016, according to the CFO Global Business Outlook survey produced by the Fuqua School of Business at Duke University in Durham, North Carolina. According to respondents, there is a one-third chance that recession will hit countries such as the U.S., Mexico, France, Nigeria, Japan, and China by year's end. In addition, more than half of Brazilian, South African, Greek, Russian, and Portuguese financial executives polled believe

their economies will enter or remain in recession by the end of the year. The survey, which ended in March, has been conducted quarterly for 20 years.

The survey also gathered opinions on controversial issues such as the minimum wage. Among U.S. firms that pay minimum wages to workers, 75 percent said they would reduce current or future employment if the minimum wage is raised to US\$15 per hour. Respondents indicated they could accommodate the increase if the minimum wage is raised to \$8.75 per hour, though they might replace more workers with machines; if the hourly rate rises to \$10, 20 percent of affected firms said they would reduce employee benefits, and 43 percent said they would raise their prices.

"The CFO respondents show the math is not as simple as 'increased minimum wages equal immediate layoffs,'" says Fuqua professor Campbell Harvey, a founding director of the survey. "It is more nuanced. CFOs reveal that increased minimum

wages will lead to reduced hiring in the future and reduced benefits for current and future employees. While you might not see an immediate impact, corporations will find ways in the future to compensate for increased costs imposed by new regulations."

The survey also covered topics such as business spending, interest rates, and the global economic outlook.

► **To read more, visit [www.cfosurvey.org/](http://www.cfosurvey.org/).**

## TOP 4 CEO CONCERNS

What do global business leaders worry about most? In a survey by Hult International Business School based in Cambridge, Massachusetts, 250 CEOs and senior executives around the world pinpointed four areas of greatest concern:

### **Reduced appeal of emerging markets as opportunities for growth.**

Respondents cited slowing economies and political risk as deterrents to expansion in nations such as India, Russia, and China.

**Digital disruption.** With more business shifting to mobile technology, CEOs are worried about keeping up with the pace of innovation and coping with mounting cybersecurity risks.

**Greater demand for customized products and services.** Global population growth, younger consumers, longer life expectancies, and a multigenerational workforce mean that companies will have to develop a wider range of strategies to

suit different demographics.

**Sustainability and social entrepreneurship.** As environmental and social issues continue to rise in importance, CEOs see not only challenges in these areas, but also new opportunities for growth.

► **"2016: The Age of Upheaval" can be downloaded at [news.hult.edu/hult-global-business-outlook-2016-the-age-of-upheaval/](http://news.hult.edu/hult-global-business-outlook-2016-the-age-of-upheaval/).**



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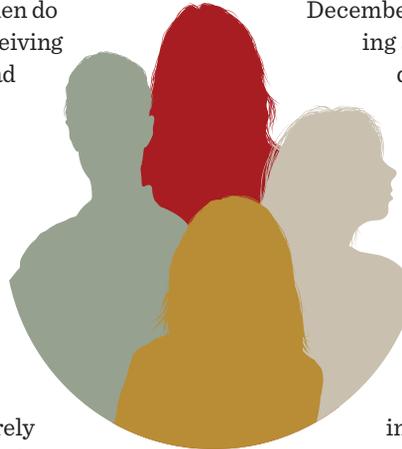
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# Women Enjoy Crowdfunding Success

**WHILE WOMEN STILL HAVE** a harder time than men do when it comes to securing bank loans and receiving funding from venture capitalists, they're ahead of men in one particular area: crowdfunding. The reason is simple, say Andreea Gorbatai, an assistant professor at the Haas School of Business at the University of California in Berkeley, and Laura Nelson of Northwestern University's Kellogg School of Management in Evanston, Illinois. Women are better at crafting the kind of emotional language that will appeal to donors.

In an unpublished paper, Gorbatai and Nelson point out that crowdfunding pitches rely heavily on the written word, and previous studies have shown that women tend to express more emotion in their written styles than men do. That's important because online donors are more interested in supporting a worthwhile cause than in getting a return on their investments.

To support their hypothesis, the researchers examined about 9,000 fundraising campaigns on Indiegogo, an online crowdfunding site, between February 2010 and



December 2013. They analyzed the language of funding appeals by four measures: emotional content, descriptive vividness, inclusiveness, and the terms used to discuss money and finance. They found that pitches created by women were more likely to employ language that was positive, vivid, inclusive, and largely free of business jargon. At the same time, they found that campaigns that used emotional and inclusive language were more successful than those that employed dry business language. Both male and female investors responded to emotional, inclusive appeals; on the other hand, the vividness of the wording had little effect on success. As Gorbatai observes, “Women are better at telling a story that resonates with potential crowdfunding investors.”

► **“The Narrative Advantage: Gender and the Language of Crowdfunding” is available at [faculty.haas.berkeley.edu/gorbatai/working%20papers%20and%20word/Crowdfunding-GenderGorbataiNelson.pdf](http://faculty.haas.berkeley.edu/gorbatai/working%20papers%20and%20word/Crowdfunding-GenderGorbataiNelson.pdf).**

## BAD MORALS, GOOD WORKERS

**Why is it that some employees who mismanage resources and sometimes even cross ethical lines still are accepted or even appreciated at work? Because they continue to be productive and get results. Employees who behave badly but don't get results are much more likely to be ostracized at work.**

These are the conclusions of a new study by co-authors Matthew Quade, assistant professor of management at Baylor University's Hankamer School of Business in Waco, Texas; Rebecca L. Greenbaum, associate professor of management at the Spears School of Business at Oklahoma State University in Stillwater; and Oleg V. Petrenko,

assistant professor of management at Texas Tech University's Rawls College of Business in Lubbock.

The researchers conducted three studies and surveyed 1,040 people, including more than 300 pairs of supervisors and their employees. They learned that high job performance may lead supervisors to ignore moral violations. These results exist regardless of gender and regardless of the organization's ethical culture. However, when unethical employees are also low-performing, co-workers are more likely to show open disapproval and even ostracize the offending individuals.

According to Quade, while uneth-

ical behavior might be overlooked in some cases, it is always detrimental to teams and the organization. The study suggests that organizations can curtail employees' improper behavior in two ways: by making it clear that unethical behavior will not be tolerated, regardless of employee performance; and by providing a more functional way for employees to respond to unethical co-workers.

“I Don't Want to Be Near You Unless...”: The Interactive Effect of Unethical Behavior and Performance onto Workplace Ostracism” was first published online April 29, 2016, in *Personnel Psychology*.

# new projects

## UNIVERSITY LIBRARIES EXPLORE LINKED DATA

A US\$1.5 million grant from the **Andrew W. Mellon Foundation** will allow five university libraries and the Library of Congress to collaborate on new initiatives to more easily create, store, and share bibliographic data. Stanford Libraries will coordinate the activities of a team that will also include representatives from Columbia, Cornell, Harvard, and Princeton.

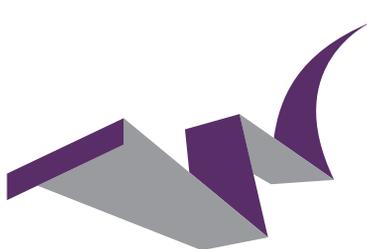
“Much of a library’s data has been locked in historic formats that do not allow for it to be connected to the web,” says Philip Schreur, assistant university librarian for

technical and access services at Stanford. The new project will “shift the focus from the presentation of library data that can only be understood by a human at a computer screen to data that a machine can understand and link semantically,” he adds. “The door is opened to linking concepts and content across continents and centuries.”

## ACCELERATOR SUCCESS

**Susan Cohen**, assistant professor of management in the Robins School of Business at the University of Richmond in Virginia, has received a three-year grant of US\$95,813 from the Ewing Marion Kauff-

man Foundation. The grant will support her research on effective design of accelerator programs. Although thousands of accelerators now are operating globally, little is known about what accelerator practices are most successful at launching startups and sparking local entrepreneurship, says Cohen. “The goal of this research,” she explains, “is to illuminate how program design choices, like the number of startups that participate in the program or the types of mentorship provided, relate to program outcomes.” Cohen also co-directs the annual U.S. Seed Accelerator Rankings Project, now in its fourth year. [▶](#)



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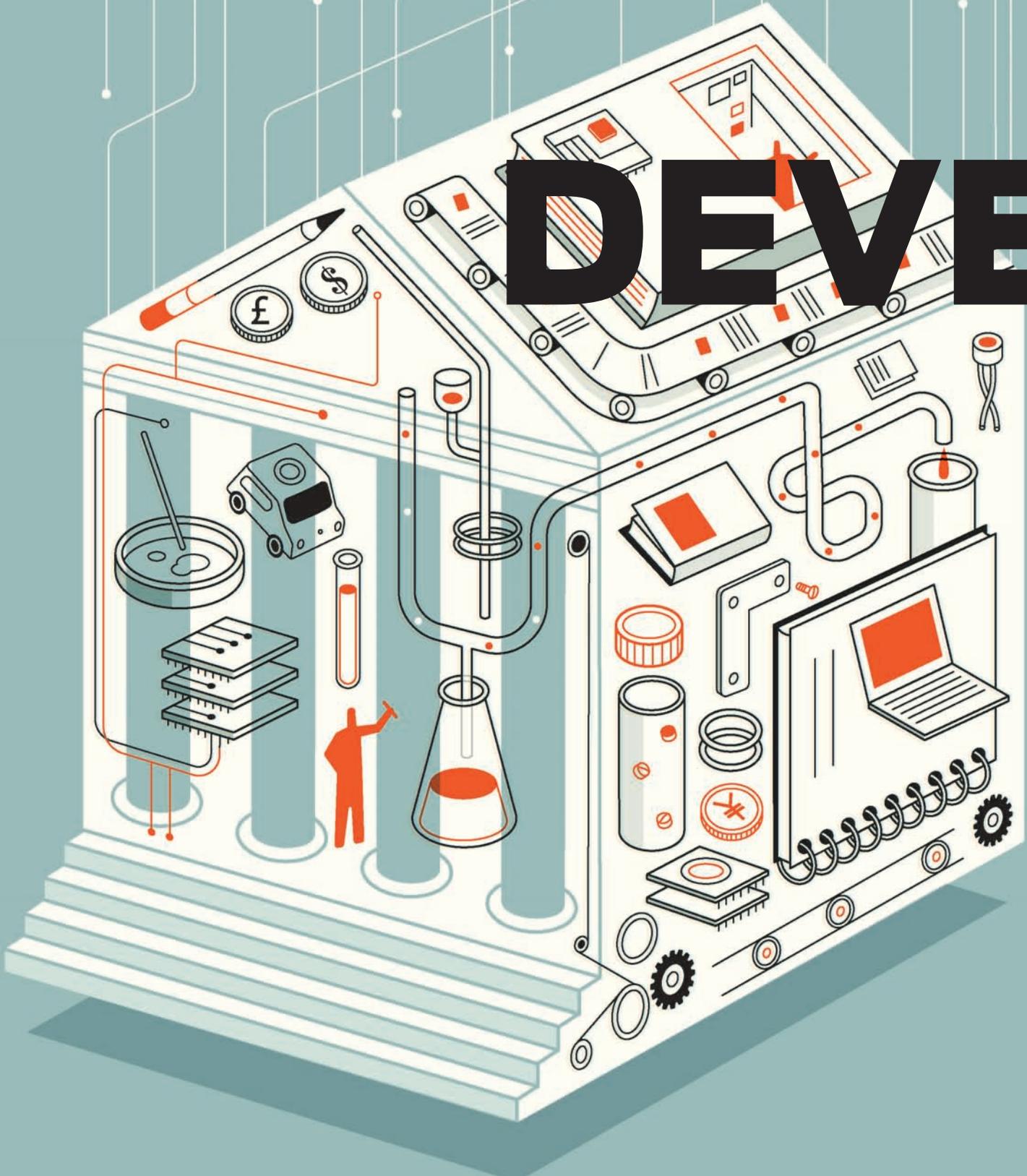
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# STATE OF LOP P M E N T

What elements support successful university-based commercialization? A look at how the process has evolved at five universities and what the implications are for business innovation.

**AT THE WORLD'S UNIVERSITIES, GREAT IDEAS ARE IN NO SHORT SUPPLY.** But without a system to make those early-stage concepts commercially viable, few are likely to have real-world impact. Luckily, more universities are opening or expanding technology transfer offices (TTOs) with the sole purpose of incubating, funding, and commercializing their researchers' best innovations.

In doing so, they address a long-existing barrier to innovation, says Brett Cornwell, associate vice chancellor for commercialization at Texas A&M University in College Station and an adjunct lecturer at the McCombs School of Business at the University of Texas at Austin. "Established companies rarely take on the technical, regulatory, and scale-up risks required to develop early-stage technologies," says Cornwell. "It is a common strategy for universities to shepherd those technologies through the 'valley of death' to a point where it's possible to sell them."

University TTOs also give students and faculty many more opportunities to make tangible impact on the world. "A lot of blood, sweat, and tears go into developing these technologies," says Julie Nagel, president of the University of Kansas Innovation & Collaboration (KUIC) office in Lawrence, as well as KU's associate vice chancellor for innovation and entrepreneurship. "Faculty tell me that there's nothing more fulfilling than seeing their life's work make a difference in someone else's life. If faculty want to develop a vaccine that will save children's lives in emerging nations, they're not going to be able to do that by staying within the boundaries of their universities."

And as many universities have discovered, it often takes the efforts of a TTO and an orchestrated set of entrepreneurial programs to get such inventions out of academic labs and into the hands of those who need them most.

## UNIVERSITY BUSINESSES

Many universities with active, long-standing TTOs have developed interconnected programs to support tech transfer. These “entrepreneurial ecosystems” often comprise four main elements: the TTOs themselves to manage patenting and licensing; investment funds to support development of early-stage intellectual property (IP); workshops and consultancies to train aspiring entrepreneurs in startup creation; and incubators and innovation parks that bring inventors, investors, and industry together. Here’s a look at how five universities handle tech transfer on their campuses:

### ■ Oxford University Innovation

(formerly Isis Innovation) is a university-owned company that manages IP and tech transfer activity for the **University of Oxford** in the United Kingdom. In 2014, Oxford’s TTO managed 529 consulting deals, filed 103 patents, distributed £13.6 million (just over US\$19.5 million) to inventors, and earned sales revenue of £24.6 million (just over US\$35.4 million) from its companies and licensing agreements. Over the last 12 months, it spun out 17 new ventures. The Oxford Innovation Community also includes a startup incubator and Launchpad, a co-working space housed within Saïd Business School. Over the next year, the university plans to open two new facilities—the Begbroke Accelerator, which will house labs and office space, and the BioEscalator for biotechnology. Successful businesses spun out of Oxford technologies include control systems for self-driving cars, 3D printing technology that produces tissue to cover wounds and deliver medication, and a drug delivery method that targets hard-to-treat diseases such as those affecting the brain and immune system.

Supporting these efforts is the Isis Innovation Fund, which has raised between £1.25 million and £1.75 million from investors in each of three rounds over the last three years. Held and distributed by a third-party fund manager, the Isis Fund has attracted more than



In 2014, technology transfer offices in the U.S. and Canada saw an **11.3 percent** increase in patent filings, a **4.5 percent** increase in licensing agreements, and a **12 percent** increase in businesses created.

— FROM A SURVEY BY THE ASSOCIATION OF UNIVERSITY TECHNOLOGY MANAGERS

160 active investors motivated not just by their interest in early-stage innovations, but also by an attractive tax incentive in the U.K. “The government gives back 50 percent of investments in seed-stage innovations, up to investments of £100,000,” explains Andrea Alunni, head of Oxford University Innovation’s new venture support and funding. “If a venture is successful, the investor’s share of the profits is entirely tax-free. Globally, it’s one of the best tax incentives for investors there is.”

Other funding sources include the Oxford Invention Fund, as well as the SBS Seed Fund run by MBAs at Oxford’s Saïd Business School. In 2015, the university formed the Oxford Science Innovation (OSI) fund, which so far has raised £325 million—making it one of the largest such university funds in the world, according to *Global University Venturing* magazine.

■ The Purdue Research Foundation at **Purdue University** in Lafayette, Indiana, oversees the wide range of commercialization functions on its campus. These include its Office of Technology Commercialization (OTC); the Purdue Foundry, the school’s incubator; the Burton D. Morgan Center for Entrepreneurship (BDMCE); and the Deliberate Innovation For Faculty (DIFF) mentorship program, which trains faculty in startup creation and commercialization.

In addition, Purdue recently opened a new startup incubator, Anvil, specifically for undergraduate students across all disciplines. Commercialization activity is primarily based at the school’s Discovery Park, a 40-acre innovation center that promotes entrepreneurship and interdisciplinary projects.

Last year, Purdue also joined the Innovation Corps, or I-Corps, started by the National Science Foundation (NSF) in 2012 to support startup creation in the U.S. Now one of 36 I-Corps sites in the U.S., Purdue holds a 16-week course for students each semester, based on the I-Corps Launchpad entrepreneurship curriculum. Faculty who want to learn about the commercialization process can take either the 16-week course or a condensed four-week version, offered through the BDMCE.

Purdue supports spinout activity with four funds: the Trask Innovation Fund, Foundry Investment Fund, and Elevate Purdue Foundry Fund for startups in progress; and the Emerging Innovations Fund for early-stage technologies. Each year, the school has 10 to 24 applicants for funding, of which about six are usually given the go-ahead. Over the last year, Purdue successfully launched 24 companies.

■ KUIC manages all IP at the **University of Kansas (KU)**. In 2015, KUIC received disclosures for 81 new universi-

Aspiring faculty entrepreneurs attend Startup School 2016 at the University of Kansas.



ty-based inventions and had 50 patents issued—up 32 percent from 2014. KUIC supports commercialization through the KU Catalyst business accelerator, as well as Startup School@KU, a six-week hybrid-format course on startup formation for both faculty and students.

When it opened in 2008, KUIC handled only activities related to patents and licensing agreements, but that role expanded in 2012 when the university unveiled its new strategic plan that placed greater emphasis on building corporate relationships. The university opened a new office of corporate partnerships, which works under KUIC oversight, to attract more corporate sponsorship of its research centers. “We want to have processes in place to make it easier for companies to acquire our intellectual property,” says Nagel. “The more we drive corporate relationships, the more ready partners we’ll have to help us commercialize our research.”

■ Over the last ten years, the Office of Technology Commercialization (OTC) at the **University of Texas at Austin** has received US\$156 million in revenue on licensing agreements and received 786 patents in the U.S. and abroad. In that same ten years, 65 startups have emerged from these technologies, 53 based in Texas. Many of these innovations are related to the biosciences. In 2015, the OTC’s

licensing revenue reached \$22.7 million, up 33 percent from 2014.

To support and expand tech transfer activities, the OTC hosts events that range from courses in new venture creation and commercialization to annual conferences where inventors can present their ideas to potential investors and mentors. Additionally, each month the OTC invites two to three inventors to its Startup Studios, which are meant to emulate artists’ studios. These meetups give inventors the chance to present their ideas to industry experts and receive valuable feedback they can use to develop their concepts. The OTC also provides Innovation Grants of between \$25,000 and \$100,000 to help faculty fund everything from prototype development to student assistant support to travel to meet potential customers. To receive a grant, each applicant must apply to undergo NSF’s I-Corps training.

■ In 2006, **Jomo Kenyatta University of Agriculture and Technology** (JKUAT) in Juja, Kenya, formed JKUAT Enterprises Limited (JKUATES) as a small startup. JKUATES is now a mid-sized company that spins out faculty innovations through its four divisions: products, often related to agriculture and food science; information and communication technology; enterprise development; and consultancy and training services provided primarily by business students and faculty. JKUATES employs a director, two senior managers, and 35 long-term and 107 short-term contracted employees.

“We are pioneering largely uncharted territory, especially in convincing

university personnel and prospective clients that our relationship can be mutually beneficial,” says Winifred Karugu, managing director of JKUATES. She also is a senior lecturer in economics and former dean for the College for Human Resources Development, JKUAT’s business school. “We have plowed our earnings back into our capital base, which now includes two factories, a tissue culture laboratory, greenhouses, and an office building. But we still feel that we are way below where we would like to be.”

Some of JKUATES’ products include a macadamia dehusker and a machine that turns farm waste into wood fuel briquettes; one of its most profitable enterprises is a yogurt manufacturing facility. Even more important to JKUATES’ business model: Many small businesses that originally came to JKUATES for training have now grown large enough to act as vendors that support its future growth. For example, several transportation firms that flourished with the help of JKUATES now supply the company with distribution services, says Karugu. And a milk supplier that provided small amounts of milk when the yogurt factory was still in its testing phase now has the capacity to service larger organizations.

“His production unit has been certified by regulatory bodies, he has trained himself and his staff in best practices, and he has scaled up his delivery to include three big institutions,” Karugu adds. “We value our ability to uplift small businesses—more than 6,000 small businesses have benefited from our business and technical training.”

In the first six months of 2015, *Global University Venturing* magazine recorded **319 university-backed equity investments** worldwide worth **US\$6.5 billion**. In 2015, *GUV* also tracked the creation of **32 new university funds** worth **\$4 billion**.

# “FACULTY DESCRIBE THE STARTUP PROGRAM AS A LIFE-CHANGING EXPERIENCE THAT MAKES THEM THINK DIFFERENTLY ABOUT THEIR RESEARCH.”

— MATTHEW LYNALL, PURDUE UNIVERSITY

Such virtuous cycles of growth are pushing universities to greater levels of commercialization, says Alunni of Oxford. An even greater catalyst, he adds, is the fact that society’s expectations of higher education are continually rising. “We have many stakeholders, including the academics who wish to set up new companies and the angels who want to invest their money in successful ventures. But most important, we have the public, which expects the University of Oxford to come up with ideas that will save the world. That’s a lot of pressure.”

## TURNING FACULTY INTO ENTREPRENEURS

For commercialization to happen at all, doctoral students and faculty must be willing to see a future for their research beyond publication. No TTO is successful unless it provides researchers with a clear and accessible path to market.

That’s why Purdue created DIFF—which includes a course called Introduction to Consumer Discovery—to enable academics to transition from lab to startup more easily. “Faculty often only think about the time commitment and the disruption this process can have on everything else they have going on,” says Matthew Lynall, a clinical associate professor of management with Purdue’s Krannert School of Management, a founding co-director of DIFF, and director of the Purdue NSF I-Corps program. “After completing the program, many describe it as a life-changing experience that makes them think

differently about the impact of their research. They set new priorities.”

For many academics, however, negotiating IP licensing agreements with their universities can be the most daunting part of commercialization. That was the case at Purdue, says Lynall, where obtaining a license could be a lengthy, and often adversarial, process. To remove this obstacle, two years ago Purdue’s OTC created Express License, a nonnegotiable license with fixed terms that can be obtained in as little as six months. Lynall could not disclose the terms of the license, but he emphasizes that each party receives a percentage standard for university-based TTOs. “Faculty no longer must go through a long, uncomfortable negotiating process,” he says. “They can focus on moving their technology forward.”

KUIC recently instituted a similar program for the same reason. Under its Swift Startup licensing agreement, KUIC pays for all patenting costs and shares in revenues if the venture becomes profitable. Any profits are divided equally among the inventors, their departments, and the university.

“I don’t ever want the university to be a hurdle someone has to jump over to bring to market the next treatment for a devastating disease. Our job is to make the process easier and identify the right partners to help faculty develop their technologies,” says Nagel. “We want our faculty to stay faculty. We want them to be chief technology officers and chief scientific officers,

and let someone else with management experience run the company.”

## BOON TO B-SCHOOLS

The more robust university-based tech transfer programs become, the more opportunities business schools have to expose their students and faculty to new technologies and expand their entrepreneurship programs to more disciplines. Through tech transfer, business students discover that they don’t necessarily have to be inventors to be entrepreneurs, says Cornwell of McCombs. “By working with real university technologies available for license, students are exposed to a world of entrepreneurship possibilities that most never knew existed.”

In return, business schools act as invaluable partners to TTOs. For instance, in addition to its MBA-managed seed fund, Saïd Business School also offers Ideas2Impact, a lecture series that introduces doctoral students in the sciences to the innovation process. “In general, business students tend to come up with idea-based companies, and scientific students come up with IP-based companies,” says Alunni. Alunni himself has an MBA and a background in investing and engineering, which he says help him “bridge the gap” between the financial, scientific, and academic worlds. “As we promote more collaboration between students in business and the sciences, I think we’ll see more companies formed across the board.”

The McCombs School of Business has linked its master of science in technology commercialization (MSTC) program closely to OTC objectives. Launched in 1996, the one-year, ten-course MSTC program meets on alternate weekends; each of three semesters begins with a one-week face-to-face immersive experience. Throughout the course, student teams work in person and online to evaluate new university-based technologies and create commercialization plans. The students determine which technologies show the most promise for commercialization and submit those



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ideas to the OTC for possible patenting, funding approval, and incubator support. Although offered through the business school, only about 10 percent of MSTC students have MBAs—the majority come from engineering.

The OTC provides each group of MSTC students with a list of technologies available for their teams to research. These technologies must be chosen carefully in order to offer the best learning opportunities, Cornwell explains. They must have enough IP pro-

tection that students do not need to sign nondisclosure agreements, but be free of complications related to licensing negotiations or contractual limitations.

business school's dean, Neeli Bendapudi. "My job is to drive research relationships that help bring companies to the university, especially to the business school's centers of research," says Murray. She regularly visits companies with direct interests in center specialties; she hopes these relationships eventually will lead to three-year \$25,000 sponsorships of center research. In return, companies hold positions on center advisory boards, receive access to student research fellows, attend center program-

ming, and work with faculty on research projects—many of which are likely to become licensing opportunities.

Nagel believes she has just "scratched the surface" of what KUIC can do in partnership with the business school, especially when it comes to expanding entrepreneurial programs and finding leaders for new ventures. "I know we

can do more with the MBAs, who can be the next cadre of startup CEOs," she says. "We want to recruit more MBAs who have an entrepreneurial bent, and we have a whole runway set up for them to be the entrepreneurial leads for our faculty's companies."

At Purdue, the Krannert School of Management plays a significant role in the activities of the BDMCE and the Purdue Foundry, including providing MBA graduate assistants for the Foundry's entrepreneurs-in-residence. It also designs entrepreneurship courses and workshops, including an undergraduate certificate in innovation and entrepreneurship and a graduate-level technology commercialization course that attracts students from management, engineering, design, and the sciences. Recently, the Krannert School also established a mentorship program that pairs women undergraduate man-

agement students with entrepreneurial women faculty in the process of commercializing scientific research.

Krannert faculty currently are working with faculty in the College of Engineering to develop a minor in innovation and technology commercialization, which will include a "3+2" option. Engineering students who take this option can enroll in the two-year MBA program during their senior year; in the last year of the program, they will pursue a concentration in innovation, technology commercialization, and entrepreneurship.

"These efforts are in line with Krannert's overall strategy as a business school," says Lynall. "We're building on Purdue's STEM strengths and attracting students with science and engineering backgrounds who are interested in creating technology-based solutions and businesses. Rather than being an insular business school within a STEM-oriented university, our vision is to be a STEM-oriented business school that's strongly partnered with the colleges of science and engineering."

## NEXT STEPS FOR GROWTH

As ripe as STEM innovations are for tech transfer, however, liberal arts disciplines are poised to become the next area of spinout growth on many campuses. Lynall points out that Purdue's I-Corps program recently attracted two faculty from history and psychology, and even with Purdue's heavy STEM focus he expects that trend to continue. "When we think of entrepreneurship, we used to think of Steve Jobs and Steve Wozniak starting Apple in their garage. But innovation has now become a more collaborative and complex activity than it was 20 years ago," says Lynall. "When we're trying to solve real problems, the solution doesn't lie within a particular discipline. It involves scientific disciplines, it involves management, it involves political concerns, and it involves the liberal arts."

The University of Oxford also plans to focus more attention on the humanities. Alumni is considering forming

Universities with the most TTO activity last year: **Stanford University, Harvard University, and the University of Minnesota** in the U.S.; and **Cambridge University, University College London, and the University of Oxford** in the U.K.

— GLOBAL UNIVERSITY VENTURING

a dedicated group of angel investors specifically interested in supporting early-stage ideas from the social sciences and the liberal arts. As one example, Alunni points to an Oxford spinout based on the idea of a Greek and Latin professor. The inventor teamed up with a physics professor to create a portable scanner the size of a laptop that can decipher each layer of writing on centuries-old papyrus—an important innovation for historians in the field who want to view what was erased and rewritten on papyrus at different stages in history.

“That’s the kind of innovation coming out of the humanities,” says Alunni. “The liberal arts will also generate many other less IP-rich business ventures. We just need to help faculty from history, music, and other liberal arts create businesses that make sense.”

As TTOs adopt strategies to build more capacity, it’s also likely that more of them will join forces. That’s what’s happening at Purdue, which plans to partner with the I-Corps programs at the University of Michigan in Ann Arbor and the University of Illinois at

Urbana-Champaign to form a Midwest I-Corps node. “We’ve just started a program focused on nanotechnology, we’ll host one focused on agriculture at the University of Illinois, and this summer we are hosting one focused on transportation and energy at the University of Michigan,” says Lynall. The Midwest I-Corps Node will become the eighth such regional node of cooperating I-Corps sites in the U.S.

One last overarching goal for all TTOs? Work more closely with policymakers to create regulatory environments designed to accelerate university-based startup and licensing activities. This objective is especially important to Karugu in Kenya, where the state-owned JKUAT is subject to strict government regulations regarding business creation. “We have made submissions to lawmakers,” she says, “but any change we see is likely to be very slow.”

Alunni agrees that if universities are to expand their commercialization efforts they must make it a priority to work more closely with government. “We must ask policymakers to make this space friendli-

er to entrepreneurs, so we can ensure we have more job creation. The more we can shape policy that helps entrepreneurs develop new ideas, not just here in the U.K. but farther afield, the better.”

With university campuses so replete with innovative ideas, and a world so ready to receive them, it makes sense that TTOs will only continue to grow in number, size, and scope in coming years. If that trend continues, business schools that limit their involvement in campus-based tech transfer could be missing out on a myriad number of opportunities, say these TTO directors. On the other hand, those business schools that align their programs with commercialization initiatives could find themselves at the very center of business innovation. **D**

**D** To learn more about I-Corps, visit [www.nsf.gov/i-corps](http://www.nsf.gov/i-corps). Read about the I-Corps program at the University of California, Berkeley, in “Bringing Ideas to Market” in *BizEd’s* November/December issue at [www.e-digitalitions.com/i/201447-novdec2013/32](http://www.e-digitalitions.com/i/201447-novdec2013/32).

## UNIFIED EFFORTS

Just about every university-based tech transfer office started as a small division and grew into a bigger and better operation. But to evolve those TTOs into functions with both revenue and impact potential, their leaders have kept sight of the following goals:

**Coordinate and unify.** While it’s important to allot resources and staff to support university-based commercialization, it’s equally important to make certain those resources are coordinated into a single system, says Matthew Lynall of Purdue. Just three or four years ago, the university had about 25 programs that promoted entrepreneurial activity, but all were working independently. “When we brought in Dan Hasler as our new director for the Purdue Research Foundation,” says Lynall, “he encouraged us to look for common tools and approaches like the I-Corps program that we could use across the school.”

**Focus on the school’s greatest strengths.** Because Jomo Kenyatta University of Agriculture and Technology is very strong in engineering, architecture, and ICT, its TTO heavily lever-

ages these disciplines in the types of products and businesses it pursues, says Winifred Karugu. “It’s also essential that we have the solid backing from our university and that we are given a certain measure of autonomy, so that we can experiment with different activities and discard those that are not viable.”

**Think big.** All schools with vibrant research communities have a wealth of commercialization potential. But even if they need to start small, it’s important that they think big as they look to the future, says Andrea Alunni of the University of Oxford. “Think around the boundaries of what you’re doing to push the status quo. Be prepared to cross different seas and don’t be scared of new approaches,” he says.

“When a school has a good faculty base, a good student base, and the support of a technology transfer office, this is great fun,” he says. “This activity helps raise the profile of the school, because more and more people are looking to this kind of entrepreneurship for solutions.”



IN CO

As more universities start tech transfer offices to commercialize faculty research, they need to understand the risks as well as the rewards.

# CRASH COURSE COMMERCIALIZATION

BY DON ROSE AND CAM PATTERSON ILLUSTRATION BY HARRY CAMPBELL

**WHILE UNIVERSITIES** have always been tremendous sources of knowledge and ideas, they haven't always been equipped to turn faculty scholarship into practical inventions. But that's been changing in recent years as more schools make it their goal to become launching pads for new companies built around faculty research. In the U.S., this trend started in 1980 when Congress passed the Bayh-Dole Act, which gave universities the right to commercialize any inventions that came out of federally funded research. At the time, only ten American universities had tech transfer offices (TTOs); today that number exceeds 100.

Even so, it's only within the past five or ten years that a large number of universities have formally invested in startups as a way to get technology out the door—and they don't always understand the obstacles they might encounter.

Essentially, there are two ways a university can bring technology to the marketplace: It can license the research innovation to an established company like IBM or Pfizer, or it can form a startup company in which a faculty member typically partners with a businessperson to co-found the venture. Licensing the technology to another entity gives the university access to expertise and capital. But launching a startup brings a host of benefits: It creates more motivated inventors, it can offer a greater return on investment, it provides a means to develop immature technology, and it allows the university to burnish its reputation.

At the same time, founding and maintaining a thriving TTO can be a serious challenge for university administration—and for the business schools that are often deeply connected to the TTO. (See “State of Development,” page 22.) Potential pitfalls abound, and there's always the risk of conflicts of interest. To succeed in this bustling new entrepreneurial space, universities need to understand how TTOs can help fledgling startups—and how to avoid potential problems.

## CREATING THE TTO

Many components go into designing support programs that will increase the likelihood of creating successful startups through the university. Three elements are essential: access to capital, connections with outside entrepreneurs, and commitment from university leaders.

**Access to capital.** Any new business needs money, and inventions that are at the proof-of-concept stage need funding before they're ready for direct investment. A TTO needs to develop close ties with venture capital firms that are willing to fund some of the opportunities.

In addition, in recent years, some universities have been creating their own internal sources of capital. For instance, last year the University of North Carolina in Chapel Hill formed the US\$10 million Carolina Research Venture Fund to invest in startups based at UNC. It will be managed by a local venture capital firm—and it will have a low bar for investment as a way to encourage more professors to work with the TTO.

**Connections with the external startup community.** Many TTOs are staffed with science PhDs or attorneys, but they also need the participation of local entrepreneurs—people who have managed, invested in, or evaluated startups. These outside experts will help TTO leaders decide whether a piece of

technology deserves further funding, so they can give an informed “No” when an idea has no commercial value or the risk is too high. If an office can't say no, it will suffer from what entrepreneurs call the peanut butter effect, where it spreads resources too thinly.

**Commitment from university leaders.** Bringing all these elements together requires a certain institutional will. It's not enough for the staff in the TTO to be committed to entrepreneurship; support must come from the very top. The president or the chancellor has to buy into the idea that commercialization is good for everybody and that the university must follow the necessary steps to make it happen.

## REMAINING REALISTIC

As mentioned above, a TTO offers a university a number of benefits, from bringing in new revenue to sparking an entrepreneurial spirit in faculty. But administrators must be realistic about both of those goals or they might squander some of their greatest opportunities. They should always keep two caveats in mind:

**A TTO is not just a way for a university to get rich.** There have been clear winners in the tech commercialization space, and everyone wants to be on that same train. But one of the

biggest mistakes a university can make is to set up its TTO as a profit center. An administrator should never say to the TTO office, “We're banking on the idea that every couple of years you're going to receive some licensing revenue, and every five years you're going to hit a home run.” That's a fallacy. In reality, a TTO is a cost center where a university can make an investment and expect an outcome from the investment, but the actual revenue is just gravy.

The Carolina KickStart program was started at UNC seven years ago, and only last year did it have its first real success: securing US\$18 million in Series A venture capital for a startup company that makes a drug to treat cystic fibrosis. Even so, it will be years before the university will see revenue either from the sale of the product or through a company acquisition. But this is still a win for UNC, because without the university's investment, that drug might have sat on a shelf for years and never gotten out the door. If the university can say, “We helped cure cystic fibrosis,” it shouldn't care how much money it makes.

For that reason, a university should focus on rewards other than the monetary ones. A TTO enables faculty to push research projects farther than they ever could on their own. A TTO unlocks innovation. If a school is lucky, a TTO brings in revenue, which the school then can invest in other components of its mission to train young minds. For instance, it might pour the money into scholarships for the wider university; it might keep the money at the TTO to provide proof-of-concept funding for future inventions. But revenue from the TTO shouldn't be put into the budget as a source of income.

**A TTO can attract top faculty—or drive them away.** Universities that have robust entrepreneurial cultures, complete with thriving TTOs, can attract young entrepreneurial faculty who have plenty of ideas. But many universities seem determined to squelch invention through their restrictive policies and their insufficient support.

A TTO IS NOT JUST A WAY FOR A UNIVERSITY TO GET RICH. ONE OF THE BIGGEST MISTAKES A UNIVERSITY CAN MAKE IS TO SET UP ITS TTO AS A PROFIT CENTER.

For instance, some schools don't even consider intellectual property contributions when determining tenure and promotion. If a faculty member can say, "I brought a product to market" or "I raised \$5 million for my new company," shouldn't that be at least as valuable as securing an NIH grant? But in many places it's not.

At other schools, faculty find the TTO too difficult to work with, or assignment of intellectual property rights too unfavorable, and they give up the notion of starting a company under university auspices. If they have developed the tech at the university, they have to work with the TTO to commercialize it—but when the process is too unpleasant, some of them just surrender the chance altogether. They choose to publish their research and put it in the public domain rather than working through the TTO to commercialize it. And that represents a lost opportunity for everyone.

But a university that wants to create an attractive environment for entrepreneurial faculty can't expect the TTO to do all the heavy lifting. The university itself must undertake a cultural change to show that it values the commercialization of intellectual property.

For instance, at UNC there's been discussion about creating a one-year sabbatical that allows faculty to devote time to their startup companies. This could serve not only as a great motivator for existing faculty, but also as a real incentive for new faculty who are considering joining the school.

At Weill Cornell Medical Center in New York, a similar sabbatical program is in place. There, the center held a faculty position for a year for a neurosurgeon who spent the time working as a chief medical officer at a startup company. When he returned to the school, not only was his venture in much better shape to move forward, but he also had acquired a great deal of valuable experience. Such sabbaticals benefit the individual, the company, and the university.

### AVOIDING MISTAKES

Even when universities stay realistic about the potential benefits of establishing entrepreneurial TTOs, they can encounter many obstacles. Two of the thorniest are dealing with intellectual property rights and managing conflicts of interest (COD).

**Intellectual property.** Many universities struggle with the details surrounding intellectual property and assigning rights to it. The interested parties in these discussions typically include the university, the TTO, the relevant department chair, and the inventors. All parties need to receive significant shares of the IP to motivate them to stay in the game.

Perhaps the greater challenge is understanding that intellectual property is an investment that might not pay off on a year-by-year basis. The fact that universities work so differently from the way corporations work has tremendous impact on the tech transfer process. In industry, for example, most companies can wait to file for protection of intellectual property until their ideas are fairly well developed. This works to their advantage because once they file, they have a 20-year window of exclusivity; obviously, the longer they can delay the start of that window, the better.

But universities don't always have the luxury of waiting. If a faculty member is writing about an idea, full disclosure will be made as soon as the article is published, so the professor has to file for IP protection before publication. And that's often early in the lifecycle development of the technology, which means there's a higher risk associated with the venture. The university has to be open to funding that level of risk.

One way for universities to mitigate this risk is to allocate about half of the money they now use to fund patent budgets to conduct proof-of-validation experiments on new technologies. Then they can invest twice as much money in the technology that looks most promising.



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# BUSINESS SCHOOLS, PARTICULARLY THOSE WITH A FOCUS ON ENTREPRENEURSHIP, HAVE NATURAL SYNERGIES WITH TTOS, AND THEY SHOULD FIND WAYS TO STRENGTHEN CONNECTIONS.

**Conflicts of interest.** These fall into several categories. First there's the conflict of commitment, in which a university tries to track where its faculty are spending their time. Are they giving enough hours to their teaching and service, or are they spending all their time on their startups?

But conflicts of interest go even deeper. For instance, in the medical research field, there are really three buckets. The most serious is the therapeutic space. If a professor has launched a startup that is taking a therapeutic drug into human clinical trials, he should not be involved in the trial because there's a conflict between the scientific integrity of that trial and his or her financial outcome. That's one where all the red flares go off, and most universities manage that quite well.

The next layer down would be in the student education realm, especially when doctoral students are working on tasks related to the startup. The university doesn't want these students working on something that can't be published because it's proprietary to the company; being able to publish about their research is a critical way for them to build their careers. Faculty members must decide if they won't involve doctoral students in their research or if they won't publish the material.

The third type of potential conflict arises when the startup company has produced a product that the university wants to purchase or the professor wants to publish. This creates conflicts around purchasing and the financial connection between the faculty member, the product, and the ownership in that company.

The university needs to have some mechanism in place to promote transparency in these areas while managing existing conflicts of interest, potential conflicts of interest, and the appearance of conflicts of interest. And those conflicts should not just be managed, but managed well as the university positions the TTO as a place where faculty and administrators come together to collaborate on ventures.

## FOR THE WIN

Business schools, particularly those with a focus on entrepreneurship, have natural synergies with TTOs. To strengthen those connections, business schools should find multiple ways to engage with the TTO. For instance, they can call on their relationships with industry to facilitate the TTO's interactions with the external entrepreneurial community. They can educate faculty from other colleges about how to be good partners with entrepreneurs. They can educate graduate students about the

steps necessary for translating research into products and services, so that if these students become academics, they already will have a strong understanding of commercialization. Finally, they can help both faculty founders and entrepreneurs with the nuts and bolts of business, such as putting together a business plan, developing a go-to-market strategy, and raising funds.

Commercialization can be an exciting development in an academic setting. It tends to crystallize around successful individuals who inspire others to develop entrepreneurial spirits themselves. For universities, the key is to identify the entrepreneurial champions and shine a light on them so everyone else understands that commercialization is a game anyone can play.

Even so, commercialization is a team sport. Many pieces lie inside the institution and many lie outside, and they all have to come together.

Many faculty who are trying to commercialize their ideas have significant knowledge gaps. They can fill those gaps by taking business courses or even pursuing MBAs—or they can work at universities that will partner with them in launching their ventures. When faculty bring their ideas to the university TTO, it sparks an exciting process of discovery in which inventors see just how far their ideas can go. When the TTO helps them launch successful companies, and when those companies bring exciting new products to market, everybody wins. 

*Don Rose is director of KickStart Venture Services in the Office of Commercialization and Economic Development and an adjunct professor of entrepreneurship in the Kenan-Flagler Business School at the University of North Carolina in Chapel Hill. Cam Patterson is chief operating officer at New York-Presbyterian Hospital/Weill Cornell Medical Center in New York City. They co-authored Research to Revenue: A Practical Guide to University Start-Ups, which was published earlier this year.*

# BREAKING NEW GROUND

**BAUER**  
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Faculty members from the C. T. Bauer College of Business are investigating issues in consumer behavior that impact global public health policies and doctor-patient relationships.

Take Partha Krishnamurthy, a professor of marketing and director of the college's Institute for Health Care Marketing. His research focuses on decision making in the medical industry, most recently analyzing the influence of administered drug testing on chronic pain patients who were prescribed opioids. The co-authored study, published in *Pain Physician*, concluded that early monitoring may negatively affect patient trust, resulting in a higher number of no-shows to appointments and dropouts after each screen, even among patients who follow clinic rules. Krishnamurthy's research aligns with a national call to combat issues linked to prescription drug abuse and addiction to painkilling opioids.

Our faculty continue to break new ground in business research, connecting their findings to advance industry, government and public health.



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Students take their places alongside business leaders and investment pros to decide which startup companies should get funding from angel investor groups.

# STUDENT ANGELS

**WHILE MANY BUSINESS SCHOOLS** give students opportunities to launch their own businesses, at Willamette University's Atkinson Graduate School of Management in Salem, Oregon, we add another element to teaching entrepreneurship: We enable MBA students to act as angel investors who decide when to back a startup with real money. The course is one of several classes we offer in which students have to make decisions under uncertain conditions with financial resources that don't belong to them. I call this "consequential learning."

**BY DEBRA J. RINGOLD** PHOTOGRAPH BY JOSE MANDOJANA



Colin Schilling (right) and Mark Kornei launched Schilling Cider after taking Willamette's Angel Fund class.

## ACTING AS ANGELS

Through the Willamette University Angel Investment Fund class, students have two chances to act as investors:

■ First, they take part in opportunities for angel investors. These opportunities include attending angel conferences—where they can see startups vie for funding, hear featured speakers, and participate in roundtable discussions—as well as becoming members in regional angel groups.

Because the school buys spots for them within each angel group, the students are full participants in the process—not staff members or interns. Working side by side with executives and business leaders, students have an equal opportunity to vote and voice their opinions. Each angel group evaluates many different pitches, conducts due diligence on the companies, and then votes on what to fund. Because it buys into the

become a powerful force for student learning. Our students realize, “People are actually doing what I’m advising—I’d better be right!”

■ Second, each week students come back to class with information about all the investment opportunities they have seen in their angel groups. Over the course of the year, the whole class discusses and evaluates the 800 to 1,000 different opportunities they’ve learned about in order to determine whether the Willamette University Angel Fund should invest in them—independently of their angel groups. In fact, occasionally students have recommended startups that were not funded by their angel groups.

Every year, the students recommend one or two companies to the fund, presenting their top prospects to an advisory board made up of management and legal experts. To date, the advisory board has not rejected a student proposal; in fact, the board has invested up to US\$50,000 in one or more of these companies every year. Between the companies that we buy into as part of the angel groups, and the ones we back through the Angel Fund, the school has invested in more than 30 companies. Whenever the school makes money on an investment, the dividend goes right

16th fastest-growing company in Oregon for 2015 by the *Portland Business Journal*.

## BUILDING THE PROGRAM

The idea for the Angel Fund came from Atkinson professors Rob Wiltbank and Wade Brooks. They believed the fund could allow students to draw on all their MBA skills as they learned how to evaluate startups—and it could make money for the school at the same time.

Both men are experts in the topic. Brooks, who is associate professor of entrepreneurial practice and executive director of the fund, was CEO of several startup technology companies prior to becoming an angel investor. Wiltbank, an executive professor, has extensive experience with venture funds. But when they started to design the Angel Fund, they faced several challenges.

First, they had to figure out how to build a vehicle that could own private stock, hold it, and realize returns on those investments—all from inside a university. Because the Atkinson School has successfully operated a student investment fund for several years, we were able to use that as a model for the Angel Fund. Even so, we realize creating such a fund probably was easier for us as a private university than it would be at a public school.

Second, Brooks and Wiltbank had to raise money from alumni and friends of the school to fund the new venture. They made it clear to donors that their money would be invested and at risk, but that it also had the potential for producing income for the school. The fund started with about \$100,000 and now is worth just under \$1 million. Donors like the program, according to Brooks, because “they can see the activity, the learning, and the tangible results.”

Finally, Brooks and Wiltbank needed to find angel funds and conferences where students could participate. Because the school was bringing actual money to the table, the professors generally found other investors very receptive.



Students debate which startup companies are promising investments.

angel funds, the Atkinson School owns small shares of these companies.

When we sent our first student angels to their investment groups, we thought they would learn a great deal from the “graybeards” at the table. But it turns out that our students have such a robust evaluation process that many of the other investors rely on their assessments of potential deals. And that reliance has

back into the angel fund.

Students also follow the portfolios of early-stage companies that were backed by the Angel Fund in the past, based on the recommendations of previous classes. So far, only two of the 30 companies funded by the school have failed, and at least one has been lauded as a major success. Zapproved, which was funded about seven years ago, was named the

Rob Wiltbank (left) and Wade Brooks came up with the idea for the Angel Fund.



## STRUCTURING THE CLASS

The Angel Fund program was launched in 2008 with the basic structure it retains now, which admittedly is time-intensive. Inside the classroom, students meet formally with their teachers three hours per week for 15 weeks over two semesters. Outside of the classroom, students spend about 25 hours per semester with their angel groups.

In addition, they spend two Fridays per month in three-hour meetings with successful entrepreneurs and executives who discuss their experiences. In these sessions, CEOs talk to students about what really happens when a company is trying to grow, raise money, or sell. As Brooks notes, “We look at successes and failures. Sometimes there’s a lot to be learned when someone goes through this process and it doesn’t work out.”

Finally, students meet with the school’s advisory board twice a year to bring members up to date on the fund’s portfolio of investments and to pitch new investment ideas. Students who sign up for the course know they will be devoting a great deal of time to it, but they’re willing to dedicate the necessary hours.

Because we admit only a small number of students into the class per year, it’s highly selective. Students accepted into the program already have complet-

ed formal entrepreneurship coursework, have performed well in core courses, and are willing to invest that extra time. We just received the funding that will allow us to expand the program from 14 to 16 students for the 2016-2017 school year.

## THE ANGEL FUND TEACHES STUDENTS TO BE MORE SAVVY ABOUT WHAT IT TAKES TO RUN A SUCCESSFUL BUSINESS.

We already have expanded the program in other ways. We now look at

startups based in Washington and California, as well as those in our home state of Oregon. The new students will work with an angel group in San Francisco.

## CONSEQUENTIAL LEARNING

The Angel Fund has produced several payoffs for our students—chances to build networks, make job connections, work with accredited investors, and above all, participate in a process they would not have access to otherwise.

It’s also taught them to be more savvy about what it takes to run a successful business. “At the beginning, students think every company is the greatest thing they’ve ever seen,” says Brooks. “After they have developed objective criteria and learned to analyze a business, they see that most startups are missing some fundamentals, and we wouldn’t get our money back if we invested. That change in attitude shows the growth of the students.”

Because students in the program are relatively young—on average, they are 24 years old with two years of work experience—such hands-on learning brings about three invaluable learning outcomes. First, students are forced to integrate the knowledge they gain in core courses ranging from finance to human resources. Second, because they

must make decisions with real consequences, they are introduced to the concept of fiduciary responsibility. Finally, they can contribute to Oregon’s thriving economy.

We believe that such “consequential learning” opportunities are

vital to our students’ learning. In addition to managing the Angel Fund, students can work with organizations to redesign a website or create a marketing plan, manage our O’Neill Student Investment Fund, or start a business through our New Ventures to Launch Program. Students who have been through these consequential

learning programs feel they have a head start when creating their own businesses.

For instance, three years after taking the Angel Fund class, Colin Schilling and Mark Kornei launched Schilling Cider, an earth-friendly hard cider product. Schilling and Kornei needed less than six months to take the company from concept to product on the shelf, and it has become one of the top-selling brands in the Pacific Northwest.

“The Angel Investment class helped me immensely in getting my own business off the ground,” says Schilling, who still routinely consults with his Willamette professors. “I got experience in how entrepreneurship actually works.”

Because the Angel Investment Fund has been so successful, we would like to start a similar program that would focus on the not-for-profit arena. We are talking with foundations about an approach that would allow students to develop their granting apparatus, gather and evaluate proposals, go on field visits, and award grants. We also plan to create a learning experience designed for students who want to go into public service. The program would pair students with legislators so they could learn how to create bills, go through the legislative steps, and experience success or failure in the process.

Ultimately, our hope is that every student at the Atkinson School has a chance to take part in a consequential learning experience. These classes teach students early in their careers that they must take responsibility for their actions, which we believe will make them attractive to employers. We take seriously our charge to educate the next generation of managers, and one way to do that is to give them hands-on experiences with real consequences. It’s even better if those experiences can impact Oregon’s economy in a positive way. ■

*Debra J. Ringold is dean and JELD-WEN Professor of Free Enterprise at Willamette University’s Atkinson Graduate School of Management in Salem, Oregon.*

# RANKED #1 INTERNATIONAL BUSINESS UNDERGRADUATE PROGRAM FOR 17 YEARS

The Moore School's undergraduate international business program remains committed to being at the forefront of international business education. For nearly two decades, the program has been constantly pursuing international innovation and thought leadership, redefining international business education curriculum and pushing the boundaries of collaborative education models through integrative designs with global partners. Instruction is led by world class international business scholars grounded in diverse disciplines such as anthropology, behavioral economics and international policy, as well as functional areas of business.

## GLOBAL TRACK



Thematic and regional courses incorporating multidisciplinary perspectives for understanding business across world markets

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Comprehensive preparation for working in the global economy

## COHORT TRACK

**Cohort Partners:** Universidad de Chile • Chinese University of Hong Kong • American University in Cairo • Université Paris-Dauphine  
ESSEC Business School (Singapore) • FGV-EBAPE (Rio de Janeiro, Brazil) • University of Mannheim (Germany)



Moore School students and students from international partner school form a cohort that studies in both locations for multiple years



First-of-its-kind International Business Education Alliance cohort connects Moore School students with international students from three of the most respected business schools in the world



Partner schools with distinctive business competencies and deep regional sociopolitical and cultural expertise



Language fluency prepares students to be able to understand local business context and practices, and the work environment of national firms

# LEARN TO ASK RIGHT

Great managers ask great questions. That's why strengthening students' questioning skills should be an essential part of every business school's core curriculum.

**THROUGHOUT MY BUSINESS CAREER**, I have never been one to shy away from asking questions. Even so, I often would leave meetings wondering if I'd missed opportunities to gain insights. Perhaps I had asked a "yes-or-no" question instead of a more open-ended one that elicited the complex reasons behind someone's success or failure. Perhaps I had expressed my opinion prior to asking for someone else's view. I might have posed a double-barreled question, which involved two issues but left room for only one answer, which elicited a response to a question I hadn't intended to ask. Or, worse yet, maybe I hadn't asked questions at all, but instead rattled off statements and expected others to somehow reply.

In short, I wasn't asking good questions—but I wanted to learn how. To my surprise, I found that many of my colleagues felt the

# ING THE HIT

BY DAVID C. STEINBERG

# 'S

same. That's when I knew that managers should be more prepared to engage others more effectively with great questions.

Since then I've come to view questioning as an essential business skill. According to the "2015/16 QS TopMBA.com Jobs & Salary Trends" report, employers place communication and interpersonal skills above academic achievement. McKinsey & Company predicts that interactions in the future workplace will require "a higher level of judgment, involving ambiguity, and [draw] on tacit, or experiential, knowledge in exchanges with coworkers, customers, and suppliers." Individuals who ask great questions are well on their way to developing strong communication skills, great interpersonal skills, and high levels of judgment. They have one of the traits that distinguishes good managers from great leaders.

If that's the case, why don't more business schools teach questioning in their core courses? Business faculty typically view questioning skills as the domain of journalists, therapists, and detectives, or they view them as skills best learned on the job, not taught in the classroom. But when business students learn to ask great questions, they spark innovation, develop their technical skills, gather insights, and build rapport with others. I believe that their questioning competency ultimately determines how well they will succeed in their careers. That's why students must master this so-called "soft skill"—I call it "the unquestionable management skill"—as part of their MBA core courses.

### THE POWER OF CHANGE POINTS

As I began exploring questioning skills, I discovered ESPN's unique interviewing approach. In 2004, ESPN hired Canadian investigative reporter John Sawatsky to train its on-air talent to adopt a style of questioning that was different from the prosecutorial style adopted by other well-known interviewers. Today, the *American Journalism Review* describes Sawatsky as a "leading authority on the art of the interview," and he has been credited with transforming journalists' careers.

In 2010, when I approached Sawatsky about applying his method to management, he not only gave me free access to his three-day interview workshop at the network's headquarters in Bristol, Connecticut, but also granted me permission to create a program based on his interviewing fundamentals. In that program, students first deconstruct good and bad interviews conducted by today's reporters; then they hone their own skills through completing exercises and reading case studies based on the latest research in social psychology and cognitive neuroscience.

At the heart of Sawatsky's method is the ability to create question sequences that uncover and explore "change points" in people's lives,

rather than focus on predictable questions about job titles, accomplishments, and company milestones. Change points are those spaces *between* the bullets on someone's résumé or the items on the meeting agenda.

To be more successful in their future careers, students, too, should learn to ask questions that explore change points more effectively. For instance, account managers can use change-point question sequences to help them detect and address problems among clients and co-workers, so they won't have to "fight fires" after the fact. Finance managers can create sequences that help them gather better internal data, make more accurate projections, and determine if their direct reports are adhering to sound accounting practices. International negotiators might create sequences that will help them gain insights about the politics, commercial risk, infrastructure, and security within their counterparts' countries. Managers across the enterprise can craft skilled question sequences to gather information they need to write winning sales proposals, recruit star employees, retain problematic accounts, or discover market intelligence that leads to a disruptive product or service.

Faculty can help students master the art and science of interviewing by teaching them four levels of questions. By mastering each skill level, students can learn to explore change points more skillfully throughout their careers:

### LEVEL 1: COMPARE OR CONTRAST

*"What's the difference between the man who left Augusta National a year ago and the one who's about to return?"* Tom Rinaldi, ESPN's veteran reporter, posed this question to Tiger Woods as Woods was preparing for the 2010 Masters Tournament. Students can learn to ask questions in a "compare or contrast" format, giving the interviewee an opportunity to think about—and share—compelling ideas. This format also can help students discover hidden change points.

### LEVEL 2: EXPLORE, PROBE, AND CLARIFY

*"Thinking back to when you first joined Siemens, what changes have you seen in your Infrastructure and Cities Sector customers?"* Such a question encourages people to think more deeply about change points they've experienced in their organizations and at past and present points in their careers. Once students receive a response, they should learn to engage in two practices that are hallmarks of investigative reporters and market researchers: probing and clarifying. Students must learn not to take superficial descriptions at face value, but instead ask the person to share more that comes to mind on the topic. This approach can open the door to a trove of information that otherwise would have remained hidden.

### LEVEL 3: ADD RESEARCH AND ANALYSIS

*"Thinking back prior to 2005 when you began to include a few enthusiastic Lego fans in product development, what's the primary difference between products created only by Lego developers and those created collaboratively with your consumers?"* This question builds on the previous two levels by adding in details that interviewers have discovered in their research. Once again, students should not be afraid to probe and clarify the person's comments—in this case, once the person responds with one example, students could ask for yet another example, to give the person a chance to dig deeper. Sometimes it's the next response that offers the revelation the questioner is looking for.

### LEVEL 4: INCLUDE VERBATIM COMMENTS

*"You once said that even your own people thought you talked about megatrends such as population growth just because they were interesting, but in reality they were the 'future of the company.' How does the way DuPont currently determines its strategic priorities as a*



# By practicing mindfulness, students can tackle sensitive topics without turning an interview into an interrogation.

*'science company' compare with the way the company did so as a 'chemicals company'?*" As students do research, they might come across previous interesting comments someone has made. This will allow them to incorporate a verbatim comment into a comparative structure—which delivers the most powerful kind of question students can ask. People tend to take ownership of their comments, and they are flattered when an interviewer has taken the time to search for them in previous interviews and presentations. In addition, by including verbatim comments in their questions, students minimize the possibility of injecting their own views and maximize the person's ability to delve into the topic.

## **NEXT STEP: BE IN THE MOMENT**

After students learn to explore change points in their questions, they must learn how—and in what order—to deliver their sequence of questions. For instance, they should understand that one of the secrets to capturing and holding someone's attention with questions is to take that person into the moment of the topic. Questions that ask "what," "how," and "why" are designed to help people return more fully to important points in their lives and careers—for interviewers, asking such questions is a form of what many call "mindfulness."

To master this particular questioning skill requires an understanding of both the Eastern and Western perspectives of mindfulness. For instance, the Eastern perspective holds that

people remain in the present moment by focusing so closely on a topic that it becomes a meditative experience. The Western perspective, on the other hand, was pioneered by Harvard psychology professor Ellen Langer, who noted that "mindfulness is the process of actively noticing new things, relinquishing preconceived mindsets, and then acting on the new observations." It helps us keep our minds open to possibility, she says, by "creating new categories, embracing new information, and being aware of multiple perspectives."

In business, students can learn to ask mainly "what," "how," and "why" questions to encourage a person to stay in the moment. Such questions might take the following forms:

- *What happened when your company implemented Lean Sigma for private banking?*
- *How was your coffeehouse company's reward program affected when you started distributing products through grocery stores and pharmacies?*
- *What was it like when the earth began to shake beneath your base camp at Mount Everest and you realized that an avalanche was headed your way?*

When students are asking their questions face-to-face, they should practice watching the other person's eyes. They'll know they've crafted an effective question sequence when the person's eye movements increase, indicating that they are returning to that moment.

When a questioner takes a subject into the moment, the questioner also must go into the moment. To do so,

students should learn to maintain eye contact and minimize distractions. Peter Brook, English theater and film director, once complimented talk-show host and journalist Charlie Rose for this skill. Brook told Rose that he could tell that most of the people who interviewed him were thinking of how much time they had left and what question they were going to ask next. "But looking at you," Brook said to Rose, "I can see a man in the moment."

By practicing mindfulness, students also can better tackle sensitive, complex, or even politically charged topics. They will avoid turning an interview or meeting into an interrogation. Most important, they need to remember that a thoughtful interview will elicit mindful responses to their questions, while an interrogation will elicit only superficial reactions.

## **START BEFORE THE MOMENT**

The best interviewers will begin a question sequence *before* the change point they'd like to explore—this approach is also a way to broach sensitive topics. Let's say that someone was interviewing Zhang Xin, CEO of one of the largest property developers in China. He wouldn't start by asking how it feels to be "the woman who built Beijing." Instead, he might start by taking her back to her first work experiences with a question like, "What was it like to work in a Hong Kong garment factory, long before your net worth surpassed US\$2.5 billion?"

In business, someone talking to Chanda Kochhar, managing director and CEO of India's ICICI Bank, wouldn't start by asking her how she transformed the country's retail banking sector by introducing mobile banking in rural areas. Instead, she could ask Kochhar to describe an important experience that happened to her when she was a management trainee, and then build up to the point when *Fortune* named her one of the most powerful women in the Asia-Pacific region.



# Empathy is part of an “input” mindset that is most conducive to asking good questions.

To teach this approach, professors could have students listen to ESPN sideline reporters like Holly Rowe, Maria Taylor, and Kaylee Hartung, who often begin their question sequence on an idea that occurred prior to the game-changing moment. As Sawatsky says, “If you start by asking how the person feels about winning the game, where do you go with your next question?”

## LEARN TO MIRROR EMOTIONS

When students stay in the moment with another person, they can be more empathetic. As it turns out, recent research by cognitive neuroscientists has opened new doors to our understanding of empathy. It shows that our brain’s anatomy and physiology help us go into the moment with others.

Empathy is part of an “input” mindset that is most conducive to asking good questions. People who have adopted input mindsets listen more than they speak, check their own emotions, and keep their personal views to themselves. This idea tracks with what Adam Grant at the Wharton School at the University of Pennsylvania found to be the distinguishing characteristics of top-performing salespeople. In his research, Grant has found that the best salespeople are not extroverts, but rather people who “are more inclined to listen to customers’ interests and less vulnerable to appearing too excited or overconfident.”

Research has found that the human brain has a mirror neuron system, which means that the actions and emotions of others are reflected inside our own motor systems. For instance, if we hear someone tear a piece of paper or kick a ball, the

areas of our brains associated with such acts react almost as if we had completed the acts ourselves—researchers call this phenomenon “motor resonance.” In one famous study, the brain activity of subjects watching the scene in the film “Dr. No” in which a tarantula crawls up James Bond’s chest responded as if the spider was crawling up their own chests. In another study, brain scans showed that those viewing a film of someone wrinkling his face into an expression of disgust felt a similar emotion. Last September, research from the University of Vienna found that our brains experience “pain empathy”—when we see someone in pain, our brains simulate that pain as if we are feeling it ourselves.

However, empathy is not always an automatic response. When we observe members of an “out-group” who are not like us—if, say, we’re Liverpool soccer fans and we see someone wearing a Manchester United cap—our brains typically do not show motor resonance. But research suggests that our ability to empathize can shift dramatically based on our mindsets and motivation. That is, if we’re told to find someone wearing a Manchester United cap because he has important information for us, resonance becomes fully restored. One study showed that when subjects were told that empathy is a skill that can be improved, not a fixed personality trait, they made greater effort to empathize with those from racial groups other than their own.

To help students develop their empathy, faculty can give assignments based on recent research. For example, neuroeconomist Paul Zak and neuro-

biologist William Casebeer have found that watching a compelling narrative such as a movie or a theater production can cause our brains to produce two neurochemicals: cortisol, which triggers a sense of distress, and oxytocin, which triggers a sense of care. Students can learn to strengthen their own empathy by exposing themselves to narratives about people different from themselves—they can learn from classmates with different backgrounds or turn to books and film. By stepping outside their own experiences, they can improve their management skills.

## QUESTIONS, EMPATHY, AND ETHICS

By asking the right questions, managers can develop a level of judgment and insight that I believe most businesses are seeking. They can achieve what consultant David K. Hurst terms a second renaissance in management. Hurst calls for “a recovery of the concept of practical wisdom,” which he defines as “prudence, the context-dependent, practical common sense needed when we have to make judgments about what is right and wrong.”

In fact, asking great questions is the *sine qua non* of ethical behavior. That means that instruction on the art and science of questioning needs to be part of a business school’s core offerings. Moreover, managers must not only be great at asking questions—they also must have the humility to listen to the answers. For this, business students must learn how to take themselves into the moment and decide what kind of managers they truly want to be. ■

*David C. Steinberg is principal at Reykjavik Sky Consulting in Boston, Massachusetts. Steinberg conducts MBA and EMBA workshops and conference sessions on questioning skills, and this past spring he taught the course “Mastering the Art and Science of Asking Questions” to honors business students at Suffolk University’s Sawyer Business School in Boston.*

S A V I T H A S R I D H A R A N

Before you tame the sun,  
you'll have to catch it.



# THE ENTREPRENEURS

A T R U E B A B S O N S T O R Y

“Not every  
hero needs a  
superpower”



“A hopeful  
beacon  
of light”

TO EMPOWER WOMEN, GIVE THEM THE POWER OF THE SUN. SAVITHA SRIDHARAN  
MBA'14 REALIZED THIS AS SHE FOUNDED DRORA GLOBAL. NOW, SHE IS LIGHTING  
UP LIVES IN DEVELOPING COUNTRIES AROUND THE WORLD.



[ACTION.BABSON.EDU](http://ACTION.BABSON.EDU)

By inviting industry to help overhaul and deliver its struggling MBA, the University of Houston–Downtown grew its program from smallest to largest in the Houston market—in just three years.

BY MIKE FIELDS ILLUSTRATIONS BY MARK ALLEN MILLER

# RAPID REBUILD



**JUST ONE YEAR AFTER** the 2012 launch of our two-year part-time MBA, it was clear the program was in trouble. The 34-hour fixed-cohort program at the College of Business at the University of Houston–Downtown (UHD) in Texas had enrolled only about 20 students in each of three semesters, and the fact that only seven people attended our spring information sessions suggested that our program intake for the fall 2013 semester would likely drop to 15 students. That meant our program was destined to be ranked as the smallest of 13 MBA programs in the region by the *Houston Business Journal*—for the second consecutive year.

Why was the program struggling? At least part of the problem could be attributed to the perception of the insti-

tution. For most of its 40-year history, UHD had been the open-enrollment arm of the four-campus University of Houston system, and many potential graduate students did not view an open-enrollment admissions philosophy favorably. Even though the UHD College of Business had set standards for enrollment in 2010, this fact was not widely known outside the university.

Another possible constraint was that UHD had only limited relationships with local industry. In part, this was due to a lack of resources. The university provided career services support to students, in the form of résumé development and interviewing practice. But there were few career development activities such as internships to help students obtain permanent placement or help the school

develop close relationships with local and regional employers. As a result, most of the leading regional employers simply did not consider our graduates for job positions.

We faced two other challenges. While the College of Business ultimately would achieve its maintenance of accreditation in 2014, our faculty were working nearly at full capacity. The additional course coverage required by the new MBA program was stressing the college's ability to meet AACSB faculty sufficiency standards. On top of that, UHD's state funding was likely to be even lower in 2019 than in 2014. With our ability to raise undergraduate tuition and fees constrained by strict limits, any additional revenue would have to come from our MBA program.



All of these factors called into question the fundamental viability of our business model—in essence, the platform was on fire. We would have to radically change the business model for the College of Business and find ways to supercharge a program that, so far, had been inconsequential in the market.

### INDUSTRY-FOCUSED REVAMP

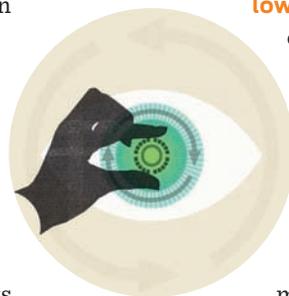
Because of the sense of urgency, we knew we had to make big changes that would attract the attention of both potential students and regional employers. So in 2013, with the university's support, the College of Business took the following steps to increase enrollment in its MBA program:

**We identified our target demographic.** From our analysis, we discovered that the market for our

MBA would consist of working professionals in the first, second, or third levels of management.

**We engaged with industry.** In the summer of 2013, we visited executives from 35 of the largest companies in the Houston region to discuss our new curriculum and invite their participation.

**We changed program format.** Based on our survey of previous and current MBA students, as well as an analysis of MBA programs at peer institutions, we decided that a fixed-cohort program was not right for our market. Instead, we



replaced it with a core/concentration model. We selected five initial concentrations: finance, human resource management, investment management, supply chain management, and leadership. Each of the executives we had met during our corporate visits committed their help in designing our concentration courses.

**We scheduled curriculum development meetings for each concentration.** Held in fall 2013 and early spring 2014, each of these five meetings was attended by 15 high-level executives from the disciplines under development and facilitated by an industry professional we had chosen ahead of time. We invited faculty who taught in the area under discussion to attend the meetings, *but only as observers.*

All of these meetings lasted about three and a half hours and followed the same format. First, the facilitator led the executives in 90 minutes of brainstorming; we wrote down elements the executives thought each concentration should include on extra-large sticky notes and stuck those notes to the wall. In all, each group identified 65 to 70 concepts. Next, the executives categorized those concepts into themes, or “buckets,” with each group independently identifying five to six buckets per concentration. Finally, they gave each bucket a name—which eventually would become the course title—and identified learning goals for each new course.

**We launched our Corporate Fellows program.** As we developed our concentrations, we decided that each course should incorporate a team-teaching format. Each teaching team would include two members. The first would be a faculty member who would act as the professor of record for each course, digitizing all lecture material and breaking it down into small “chunks” of content available to students online. The second would be a seasoned professional, called a Corporate Fellow, who would be charged

# Our corporate guests were astonished to see that we would teach precisely the same courses they had initially suggested.

with helping students understand the practical application of the material and providing students with immediate takeaways each week. While Corporate Fellows acted as instructors, they did not have the same responsibilities as adjunct faculty.

To find these professionals, we reached out to faculty, alumni, industry groups, and friends of the college. Many executives were excited to participate because they wanted to work with students. In 2014–2015, we started with 34 fellows. We initially had expected to need only 22 fellows, because we had planned to offer just one section for each of our 22 new concentration courses. But because of high demand for each concentration, we added a second section for each course. We paid each fellow US\$3,000 for each section they co-taught, with some teaching more than one section.

## FACULTY ON BOARD

As we changed the program's direction, we knew we would be asking a lot from our faculty. And without faculty approval, any new strategy would be dead in the water. So, as soon as our concentration development meetings were over, we immediately brought faculty into the process.

First, the professors who had attended the brainstorming sessions conducted a debriefing, where they reviewed the executives' sticky notes, course names, and learning objectives. Next, they assigned faculty members to develop content for each course. Our faculty then accelerated the process, developing our new courses and receiving the university's approval by mid-spring 2014, in the academic equivalent of "light speed." That meant we could start promoting the program to potential students for the fall.



Once the concentrations were approved, we scheduled follow-up meetings with all the executives who had worked on the redesign. At these meetings, faculty presented the details of the concentration courses they had developed. Most of our corporate guests were astonished to see that we would teach precisely the same courses they had initially suggested. Our faculty said that many of the executives used the same word to describe our approach to redesigning our program: "refreshing."

## DIFFERENTIATION THROUGH ASSESSMENT

Through this entire process, we knew that we had to demonstrate to industry that UHD graduates would add real value to employers. To accomplish this, we had to make another critical ask of faculty: to establish a robust course assessment program.

As faculty designed course content, they worked with assessment and assurance-of-learning staff to incorporate two to four assessment measures per learning goal in each course; each measure was tied to one of the learning goals identified by executives. By aligning our assessment with those industry-driven learning goals, we could proclaim to employers, "Here are metrics to show that UHD graduates know what you want them to know."

We knew that making a clear correlation between our assessment goals and the skills that employers sought in new hires would provide significant competitive advantage for UHD graduates. In essence, we wanted employers to view hiring our graduates as a great business decision.

## COMPETITIVE ADVANTAGE

We put a great deal of time and effort into developing our concentrations, but as of spring 2014 we had invested very little financially. That was about to change. As we approached the fall 2014 recruiting season, we increased our promotional budget by 200 percent, with the university and the College of Business each responsible for half.

The next step was deciding what we wanted to promote—what differentiated our program from others in the market?

Since most competing MBA programs claimed corporate involvement in their curricula, industry's contribution to our program's development was not a differentiating factor. However, we believed that five features of our MBA gave us competitive advantage in our target market:

- First, we had decided to offer our five concentrations as free-standing graduate certificate programs, each with the same admission requirements as the MBA. That structure allowed students to pursue graduate certificates in areas of interest and gain skills to help them add immediate value to their employers.

- Second, if students in our graduate certificate programs decided to continue on to the full MBA program, we would waive the GMAT requirement if they had earned B's or above. This option, known as "Soft Start," was particularly attractive to working professionals.

- Third, in a feature maintained from the initial program, the courses followed



an eight-week, hybrid format, also attractive to working professionals.

■ Fourth, the cost of our program was comparatively affordable, ranging from US\$21,000 to \$23,000 in total tuition and fees.

■ Finally, we heavily promoted our Corporate Fellows' participation in the program, which we believe helped boost our fall 2014 enrollment numbers. In that first semester, our faculty and Corporate Fellows did a wonderful job team-teaching and sparking discussion in their classes. Some teaching teams even incorporated a planned disagreement into their discussion period to see how students reacted—for instance, after the academic introduced a theoretical concept, the practitioner could interject to note “that’s not how it works in the real world.” The two then could hold a live debate in front of the class, before turning the discussion over to the students. Our faculty and fellows have found this approach to be incredibly satisfying from a teaching and learning perspective.

Our students enjoyed the corporate-driven, problem-solution approach in our concentration classrooms so much that we were met with an unexpected problem. When it was time for our instructional teams to dismiss their classes, held from 7:00 to 9:45 in the evening, students often were not ready to leave. They wanted to continue the discussion, even as security came at 10:00 to try to close the building. Ultimately, we had to move the building closing back to 10:30 to give the students adequate time to finish their discussions. What a nice problem to have!

These differentiating factors helped us obtain almost immediate positive reactions to our new concentration-based MBA. In summer 2014, we asked all students who had completed graduate certificate programs to provide a comprehensive evaluation of their experiences. Across all certificate options, we achieved an “overall satisfaction” rate of 4.07 on a 5-point scale. The average response to

the question “Would you recommend the program?” received a mean score of 4.08. With these results, we expected that word-of-mouth referrals could drive higher enrollments for the fall.

In fact, response turned out to be far greater than our most ambitious estimates—our enrollment shot up from a total enrollment of 49 students in fall 2012 to a total of 381 students in fall 2014. That semester, the UHD MBA program moved from being the region’s 13th largest program, as ranked by the *Houston Business Journal*, to fourth.

### GAINING MOMENTUM

As we prepared for the fall 2015 recruiting season, we strengthened the MBA program even further, by increasing the number of concentration/graduate certificate options to include accounting, business development/sales management, and international business. We went through the same process to develop these concentrations as we did with our original five. At the same time, we constructed a separate College Graduate Office suite and increased the number of MBA classrooms from three to eight.

Then, because of unexpectedly high enrollments in 2014–2015, we made several strategic new hires, with the support of funds from a new supplemental fee that we introduced in fall 2014 (see “How We Funded Success” on page 52). We added MBA advisors to aid our students throughout their programs, and we hired several customer service coordinators, who contacted potential students by phone at three points in the MBA admission process: indication of initial interest, application submission, and application completion. With the help of these coordinators, who responded to potential students within one day of receiving any message or application information, more than

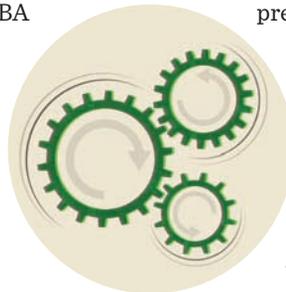
80 percent of applicants ultimately enrolled in our program.

We opened a new career services office for the College of Business just over two years ago. We’ve recently added three new full-time staff, one of whom is dedicated exclusively to helping our graduate students. We’ll continue adding career services staff as demand dictates.

We’ve also hired 12 new full-time faculty members, most of whom were college-funded. In the past, we had primarily hired faculty who were willing to take lower salaries in order to live and work in Houston. Now, however, we offered higher salaries so that we could make discipline-specific hires to catch up to our growth and bring the college back into AACSB compliance. However, because we were offering higher salaries, across almost all disciplines, we introduced both salary compression and salary inversion—which, as expected, created some conflict with existing faculty. To ease that conflict, we have found ways to provide additional compensation to faculty for activities such as developing courses, assuming course overloads, taking on extra students, and teaching introductory courses.

Finally, in 2015 we increased our number of Corporate Fellows to 50. Many of these executives came from larger companies throughout the region with which the college did not have previous relationships. Ultimately, several Corporate Fellows introduced MBA faculty to others in their organizations, bringing us closer to industry than ever before. Today, our Corporate Fellows are beginning to provide their faculty teaching partners with data from their companies, which could lead to joint publications. We now have hired someone full-time to coordinate our Corporate Fellows and introduce new practitioners to the program.

In addition to adding new staff, we also increased our promotional expenditures, this time by 80 percent. We attended area trade shows and



emphasized the “buzz” that was building in the corporate market regarding the UHD MBA program. We also have contracted with the higher education consulting firm Eduvantis to revamp our website and improve our digital marketing activity.

In 2016, for the first time, we planned a spring start for the four concentrations that had consistently garnered the greatest interest: finance, human resource management, leadership, and supply chain management. We expected 120 students to enroll in our spring courses, but ultimately, more than 200 students joined the program, bringing our total certified enrollment to 914. As we look ahead, we believe that we will see a total enrollment of at least 1,200 students in 2016–2017, which we expect will be the ceiling for us in terms of our present capacity.

### TIME TO THRIVE

After three short years, we have accomplished a complete turnaround for the UHD MBA program. We went from a total enrollment of 49 MBA students in fall 2012 to 765 incoming students in fall 2015. We went from being the smallest MBA program in the region to being the largest in the *Houston Business Journal's* December 2015 ranking. This growth occurred at a time when the overall MBA market in Houston had declined by about 5 percent.

It's hard to believe that just three years ago, the College of Business had no sustainable business model, and it was going to be difficult for us to maintain AACSB accreditation in 2018-2019. Today, we face a much different picture. Our college has a



financial freedom that it has never before enjoyed, and we have generated excitement about our MBA program in the corporate community.

Our faculty have an added spring in their step, now that they have designed courses that match industry needs and they have embraced team teaching with the Corporate Fellows. Most important, our college continues to develop a compelling story that fits nicely around AACSB accreditation's three pillars of impact, innovation, and engagement.

For the UHD College of Business, the future is bright. ■

*Michael Fields is dean of the University of Houston–Downtown College of Business in Texas.*

## HOW WE FUNDED SUCCESS

When our plan to boost MBA enrollment at the UHD College of Business took off, we needed to find additional funding to hire the new faculty, support staff, and Corporate Fellows required to deliver our co-taught programs effectively. The problem? We had no flexibility to raise tuition, because we were bound by the rate set by the University of Houston System Board of Regents. In 2012, when we launched our MBA, that rate was US\$532 per credit hour—of that amount, only \$160 came to the college. That amount simply wasn't enough to sustain our improvements to our MBA program for the long term.

Our solution: We added a supplemental fee of \$168 per credit hour for all of our new concentration courses, a strategy that raised the cost per credit hour for those courses to \$700. Because our provost had experience setting supplemental fee structures, he helped us determine a fee amount that would allow us to provide our revised curriculum.

At each student's initial enrollment, advisors explain that the team-teaching model—where we pair academic faculty with practitioner instructors—increases our instructional costs. The vast majority of students appreciate the added value of learning from both academics and practitioners. Moreover, because our tuition already was low, the cost of our program, including the supplemental fee, is just under \$22,000 for most concentrations. That rate keeps us very competitive for our market.

For the 2015–2016 academic year, we made yet another strategic financial decision. Students who had experienced the team-teaching model in our concentration courses had been urging us to incorporate the same model into our core classes. So, last year, we brought in 120 Corporate Fellows to co-teach 171 sections in both our core and in our concentrations—and we plan to add more fellows next year. We're doing so even though we receive no supplemental fees for core credit hours.

For us, absorbing the cost of using Corporate Fellows in core courses is turning out to be a sound investment. The more Corporate Fellows we have, the more they serve as ambassadors who generate positive buzz about our program. In fact, we're even starting to see Corporate Fellows use the program as an opportunity for passive recruiting. Each eight-week term is, in effect, an eight-week interview of our students, where the fellows can see what our students can do.

Three years ago, our MBA program wouldn't have been on the radars of most companies in the Houston region. Today, our students are the true beneficiaries of our success, as more employers realize our graduates have the skills they need. As our enrollments climb, the supplemental fee hasn't just allowed us to keep pace with growth—it has given us the financial freedom to offer our students a quality academic experience with real-world relevance to employers.

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## Florida State University College of Business

### Influential faculty

**No. 1** – Global research productivity, core real-estate journals

**No. 1** – Most downloaded article, *Journal of Retailing*

**No. 1 and 2** – Most prolific authors in leading risk-management journals over the last decade

**No. 3** – Most Internet-related research articles published in top marketing journals nationwide

### Top-ranked programs

(*U.S. News & World Report*, 2016)

**No. 4** – Online Graduate Business Programs (master's degrees in management information systems; risk management and insurance)

**No. 7** – Dr. William T. Hold/  
The National Alliance Program  
in Risk Management and Insurance  
(**No. 5** among public schools)

**No. 10** – Real Estate Program  
(**No. 6** among public schools)

*Michael D. Hartline, Ph.D.  
Dean and Charles A. Bruning  
Professor of Business Administration*

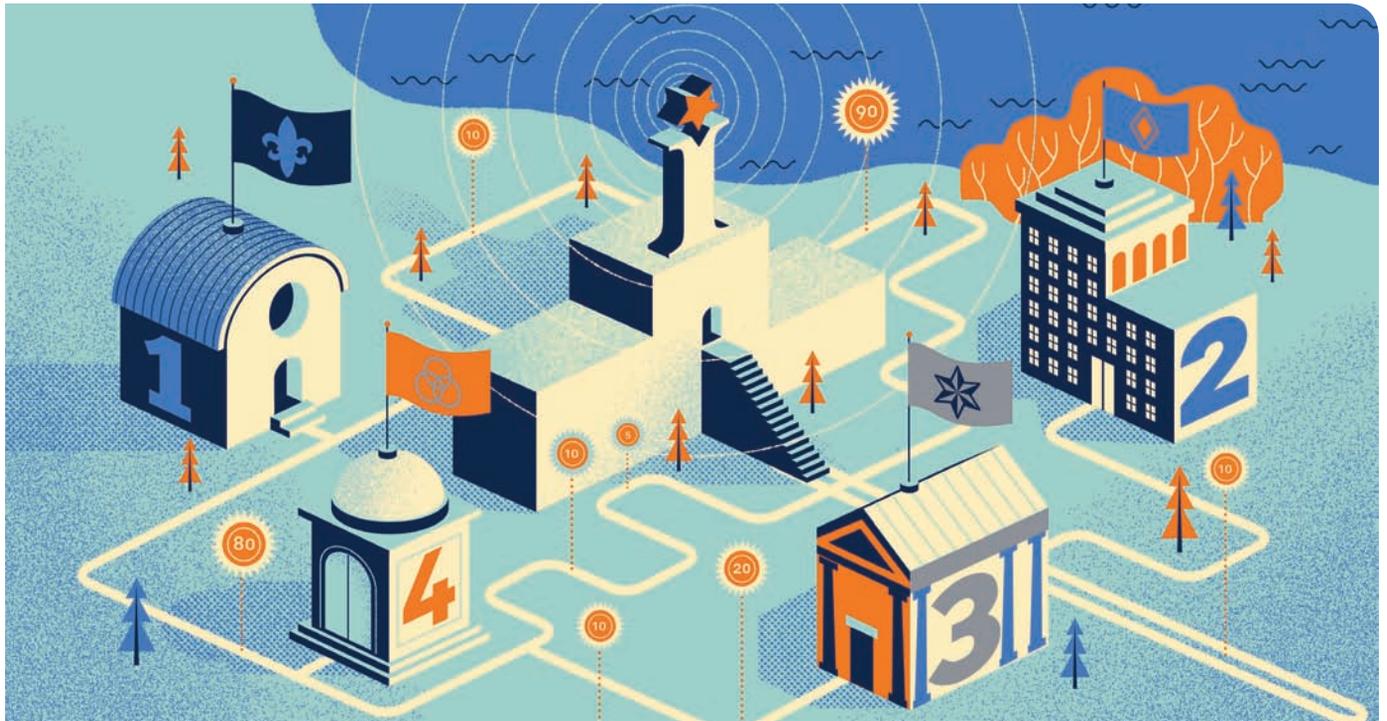


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## House Rules

AN IMMERSIVE APPROACH TO STUDENT ENGAGEMENT

**J.K. ROWLING'S** *Harry Potter* series introduced many readers to the notion of a magical boarding school where students are assigned to one of four houses. But as Britons know, the four-house format is standard practice in real-life boarding schools throughout England, as a way to offer students a sense of belonging, reinforce a sense of community, create a shared learning experience—and, of course, introduce a dose of healthy competition.

That practice has inspired a special program at the Martin J. Whitman School of Management at Syracuse University in New York. In 2013, its faculty, alumni, and other stakeholders brainstormed ways to engage students in professional development. The outcome was the Goodman IMPRESS program (which stands for Initiating Meaningful Partnerships and Responsibilities to Encourage Student Success). Named after donor Kenneth Goodman and launched in fall 2014, the IMPRESS program assigns all 500 incoming undergraduates to one of four teams, or “houses”—Adams, Harrison, Marshall, and Waverly. While the houses aren’t physical spaces, each has its own insignia, its

own faculty house master who serves as a mentor to students, and its own academic and career advisors. Students remain in their houses freshman through senior years.

During those years, students earn points for their houses through participation in five types of activities: personal and professional development, major and industry exploration, certification completion, global experience, and community engagement. These activities can include attending leadership workshops, guest lectures, and social events; participating in community outreach and internships; and earning technological certifications

in skills such as using Excel software or the Bloomberg platform.

Students earn personal points for professional development events and house points for more social events. To connect the two, the school also issues spur-of-the-moment house challenges, says Amanda Nicholson, associate dean for undergraduate programs. “A house challenge,” she explains, “could be something like announcing that the house whose members have the most Excel certifications will earn an extra 1,000 points.”

IMPRESS is driven by the use of a gamification portal, smartphone app, and student IDs. The school uses the app to inform students of different types of activities and notify them when opportunities arise to earn points. When students come to events, they can swipe their IDs to mark their attendance. Students must earn a minimum number of points throughout their programs to graduate; each year, the number of points they have earned determines their “IMPRESS” level, and those with the highest point counts sit atop a posted leaderboard. Students even post their IMPRESS scores on their résumés, right next to their GPAs. The top number of points a student can earn is 1,870, for the year Syracuse University was founded.

Although IMPRESS focuses mainly on extracurricular activities, it helps students bond with their houses and house masters through a required first-semester freshman course, Business and Society. The course is offered in four sections—one for each house—and students enroll in the course taught by their faculty house master. “The course launches their time with us here,” explains Nicholson. “The idea is that the course will help them connect—imprint, if you will—with our faculty member, so they know they have their mentor right from the beginning.” As part of the course, students read the book *American Business Since 1920: How It Worked* by Thomas McCraw, which provides an

overview of how American business has developed after World Wars I and II.

The program has had the impact the Whitman School’s stakeholders hoped for, says Nicholson. With so many events connected to IMPRESS, students now have far more opportunities—and incentives—to engage with the dean, associate deans, faculty, career services staff, and each other than before the program was in place. “We’ve increased the fun factor, but in a serious way that develops very important soft skills,” says Nicholson. “IMPRESS introduces students early to the idea of work-life balance. They can see this community as not just a place where they attend classes and get grades. They can see our business school as a place where they build careers, build teams, and be part of a community.”

A portfolio program like IMPRESS cannot be delivered as an isolated part of a business school’s operations, says Nicholson. “This is not a program where you can rubber-stamp it and think, ‘If we build it, they will come.’ You have to have faculty who are willing to live this, because it’s a lot of work to pull this off.”

It first requires engaging faculty and staff who are willing to “roll up their sleeves” and work with students outside of class, she says. At Whitman, faculty house masters, academic advisors, and career advisors must not just be willing to help students plan their professional development; they also are expected to attend extracurricular activities. In addition, each faculty house master must be willing to teach a section of 125 students, which makes up his or her entire teaching load for the fall semester. In addition, the Whitman School has dedicated a full-time staff member to coordinating the program.

Second, it requires continually planning ways to engage the school community—especially other faculty. To that end, this year the school began inviting all faculty to join houses and participate in as many—or in as few—activities as they like. The school sends briefings to faculty and staff on what IMPRESS has planned for the upcoming week. “Now, faculty can help win points for their houses as well, but we have just one catch: They have to team up with students—not other faculty,” she says. “Students can see the human side of their professors.” About 15 percent of faculty now attend IMPRESS events, says Nicholson.

Finally, it requires the school to be willing to balance work with play. Within its calendar of professional development events, the Whitman School also includes fun activities, such as trivia nights or field days complete with egg-and-spoon and bean-bag races. Each year, the school honors the top 44 IMPRESS students with a special brunch, where they receive gifts such as sweatshirts and pins (the number 44 is special to the school, related to the uniform numbers of its most well-known athletes). At the end of each year, the school holds a celebration, where the house with the most points is honored with the Goodman Cup.

Eventually, Nicholson hopes to receive an endowment to support even more activities for the program. But she believes that IMPRESS provides the perfect complement to what students are learning in class. “We wouldn’t dream of interfering with what professors are doing in their classrooms,” she says. “But we need to build our students’ other skills and help them have rewarding experiences here. We want to make sure our students remain engaged.”



A Whitman student holds the Goodman Cup, awarded to the house with the most points at year’s end.

# Photo Finishes

**BUSINESS SCHOOLS** go to great lengths to build a sense of community and attract attention to their scholarship, but often it takes only simple strategies to highlight the value of academic work. For example, to offer a glimpse into its academic culture, the Rotterdam School of Management in the Netherlands created dedicated areas on its website for photographs of the defenses and degree conferrals of its doctoral students.

RSM maintains an online gallery of photos that document more than 300 defenses. The school posts permanently published profile pages of each PhD project, which include links to profiles of projects on related subjects; and faculty link their personal pages to the profile pages of the students they've supervised. RSM also maintains a searchable directory of PhD dissertations and posts short video summaries of their content. In addition, Chris Gorzeman, the school's photographer who captures images of every RSM ceremony, has created an online photo gallery highlighting academic life at RSM; he offers his services to PhD students who wish to visually document the culmination of their years of work.

"We use these photographs as a way to recruit new PhD candidates, by showing the lively academic culture in the school. We find them especially valuable to reach international students who want to learn about academia," says Wilfred Mijnhardt, RSM's policy director and former executive director of its Erasmus Research Institute of Management. "They provide a beautiful view into the nature and ceremonial dimension of academic life."



► To see RSM's commissioned photographer's photo gallery, visit [www.phdphoto.nl](http://www.phdphoto.nl) (shown above). To see RSM's photo gallery of doctoral defenses, visit [gallery.erim.eur.nl/index.php/ERIM-PhD-Defences-1774202523](http://gallery.erim.eur.nl/index.php/ERIM-PhD-Defences-1774202523). See an example of a doctoral project profile page at [www.erim.eur.nl/doctoral-programme/phd-in-management/phd-projects/detail/1212/](http://www.erim.eur.nl/doctoral-programme/phd-in-management/phd-projects/detail/1212/).



## CROWDSOURCING THE COHORT

MBA students often can customize many aspects of their programs—from their schedules to their course tracks. But they most often can't choose who the other students in their cohorts will be. But enterprising individuals thinking of enrolling in the MBA program at the Pepperdine University Graziadio School of Business and Management in Los Angeles, California, now also have the option to choose their own cohorts. The school recently launched [MyMBA.pepperdine.edu](http://MyMBA.pepperdine.edu), a crowdsourcing website that will allow working professionals to create or join an MBA cohort at a location convenient to them.

The new website is a way for professionals to further customize a program that works best for their circumstances by specifying meeting time, location, and format for their cohorts, explains John Paglia, associate dean and associate professor of finance. Individuals can invite friends and colleagues to join a cohort (each ranging from 15 to 25 students), and organizations can create cohorts exclusive to their own employees. MyMBA's "share" feature also allows registered users to post information on their social media feeds.

# Celebrating Free Books

When the University of Idaho announced in February that it was signing on with open-source textbook system OpenStax, administrators wanted to make sure faculty and students understood the advantages of free textbooks. For instance, faculty can select chapters from various peer-reviewed sources and combine them into unique textbooks; students can access the finished products online for free or buy printed versions through the university's store for less than traditional textbooks.

Despite these benefits, "faculty remain concerned about the quality of free and open educational materials," says Anne Gaines, UI Library faculty member and co-

ordinator of UI's open source textbook project. To help faculty and students become comfortable with the new format, the library celebrated Open Education Week in April.

Among the scheduled activities was an Open Textbook Petting Zoo, which enabled students and professors to compare open textbooks to printed ones. The Wikipedia edit-a-thon workshop allowed participants to fact-check Wikipedia articles related to the university by consulting materials at the library. A panel discussion encouraged teachers and students to share experiences they had had with open textbooks, while another discussion explored the ways that free textbooks can remove cost barriers for

students who want to attend college.

In fact, high book costs actually can have an impact on the number of students who enroll in college or complete their coursework if they do, says Gaines. "Faculty report 65 percent to 80 percent of students do not have their textbooks on the first day of class either because they can't afford them, financial aid is late, or books are still in transit. What if every student had immediate access to that textbook on day one? The cost of textbooks is something professors and librarians can do something about."

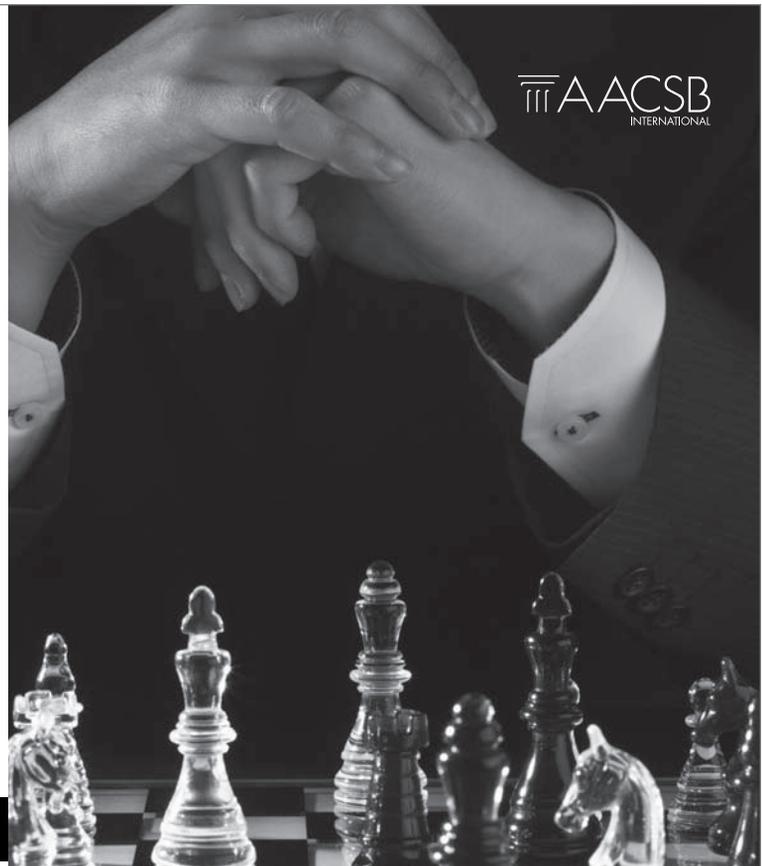
▶ For information, see [www.lib.uidaho.edu/services/scholarly/opened2016.html](http://www.lib.uidaho.edu/services/scholarly/opened2016.html).

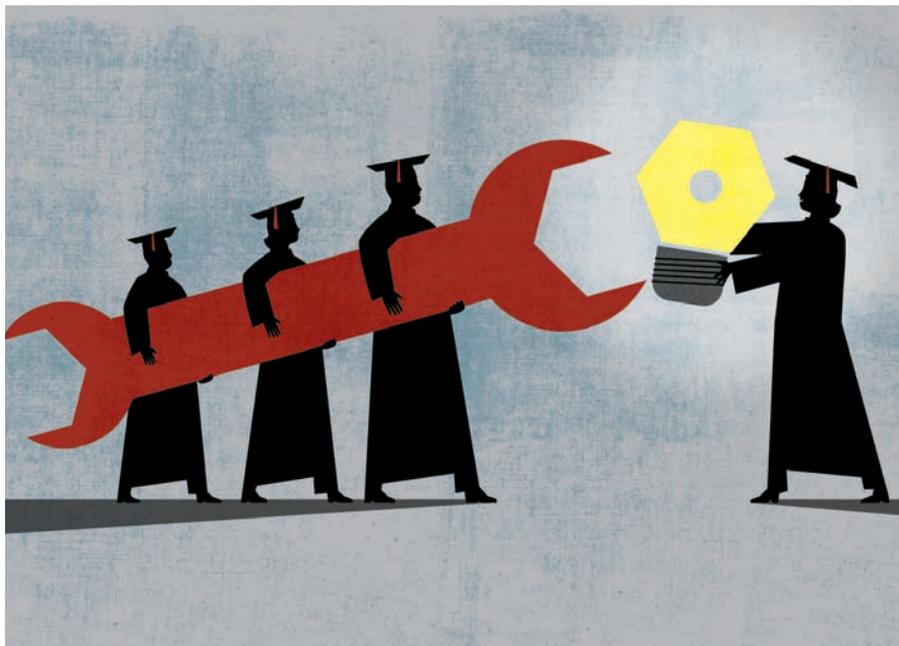
## Be a Leader on Leadership.

The Leading in the Academic Enterprise™ Series is a three-part seminar series that provides high-value, customized leadership development training designed to build essential capabilities in current and future academic leaders. Facilitated by an award-winning researcher and established author, the series enables participants to gain key competencies necessary for today's leaders:

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## Maker Majors

**AS PROGRAMS IN** innovation become more popular with students across all disciplines, entrepreneurial programs at large universities are getting the lion's share of attention. But smaller universities also are placing greater emphasis on immersing students in the product innovation and startup process.

That's particularly true at Western New England University (WNE) in Springfield, Massachusetts, where enrollment in its co-curricular course in product innovation continues to grow. What started as a single section with just 30 students in the fall of 2010 has now expanded to four sections enrolling nearly 120 students—about 50 from the business school and 70 from engineering. WNE created the course with the help of a US\$25,000 grant from VentureWell, a higher education network that supports student inventors. The university has sustained the growing enrollment through corporate sponsorships and alumni donations.

"We're now seeing more students from disciplines like engineering and pharmacy minoring in entrepreneurship because they realize they need to understand the innovation process," says Mary Schoonmaker, assistant professor of marketing with WNE's College of Business. Schoonmaker, whose background is in both computer programming and business, co-teaches the course with three faculty from the College of Engineering, including Glenn Vallee and Richard Mindek, associate professors of mechanical engineering, and Robert Gettens, an associate professor of biomedical engineering.

Over the fall semester, business and engineering students collaborate on five-member teams to develop ideas into marketable products. Most work on their own ideas, while a few develop ideas submitted by local companies. Company projects have ranged from a thermocoupling device to a heat sensor for heating and cooling systems.

Before enrolling, students sign over to the university the ownership rights of inventions created in the course, Schoonmaker explains. WNE retains the right to file a provisional patent for a year after course's end; if WNE files a patent, it will share any royalties with the students. However, so far, the school almost always has waived this right, assigning rights back to students.

In December 2015, the school held its first annual Product Innovations Showcase, where student teams from both the product innovation course and the freshman engineering course presented their inventions. The event was attended by local startup mentors, angel investors, and leaders from the Western Massachusetts Economic Development Council. As a special twist, visitors were given play money to "invest" in the products they thought showed most promise.

The invention that received the most virtual investment dollars at the event was Lectroblocks, a configurable power strip. An outdoor lockbox for home deliveries came in second, while an endoscopic surgical tool and a self-cleaning toilet seat attachment tied for third.

In addition to the Product Innovations Showcase, the school held its first "Startup Weekend" last fall. The three-day event was designed to spark greater interest in entrepreneurship and reach students from more disciplines. This spring, the university held its first three-minute elevator pitch contest, where students competed for startup grants. WNE also sends students to an annual innovation conference and pitch contest sponsored by the Massachusetts-based Harold Grinspoon Foundation, and it now has three teams of student inventors working at Venture Valley Mentors, a regional accelerator.

Says Schoonmaker, "As students realize that they can create their own companies, we want to show them that they've got a lot of support on campus and in Massachusetts—that their ideas can have life after they graduate."

# tools of the trade

## GIVING GAME TO THE MBA

Two graduate students from Purdue University in West Lafayette, Indiana, have created a software platform where users can experience a “gamified” MBA. Arun S. Bharadwaj, an MBA student in Purdue’s Krannert School of Management, and Jiaqi Wang, a graduate student in computer graphics technology in the Purdue Polytechnic Institute, are the inventors of **MBAville**, an immersive virtual environment that will include games designed to teach business concepts in an integrated, engaging way.

MBAville’s first game, Project Quant, will teach accounting, analytics, and economics concepts, all within a pizzeria setting; in the simulation, students view a “business forecast” that will provide them a scenario in which they’ll be running the business, and monitor their progress over a dashboard as they make decisions.

Bharadwaj and Wang created the game because they believe that business students learn more about concepts such as accounting and analytics when academic approaches are balanced with real-world application. They designed MBAville, says Bharadwaj, as a “bite-sized” way for students to learn about and apply multiple concepts simultaneously. “We want to build out 100 game days so that students can learn a wide

variety of concepts and have fun playing the game over a longer period of time,” he adds. “For grading, we plan to build in decision logs that will allow students to justify each decision they make so professors can grade based on those answers.”

Bharadwaj and Wang receive support from the Purdue Foundry, an entrepreneurship and commercialization hub and incubator located in the school’s Burton D. Morgan Center for Entrepreneurship at Purdue’s Discovery Park. The team went through the Purdue Foundry Launch Box program to further develop their product.

The inventors are planning to launch the completed platform later this year. *To see an in-game video, visit [www.youtube.com/watch?v=ykOSDyLgJyU](http://www.youtube.com/watch?v=ykOSDyLgJyU). To see a demo, visit [demo.mbaville.com](http://demo.mbaville.com).*

## BACK-TO-SCHOOL FOR ADMISSIONS

An online education portal for college admissions has been released by **Kira Talent**, the creator of the higher education video admissions platform Kira Academic. The portal, called Kira University, offers free online courses designed to help college admissions teams improve their admissions processes from recruitment through enrollment. Each course includes weekly lessons delivered to

participants by email.

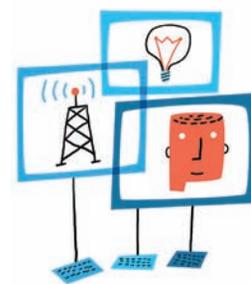
These lessons feature insights on best practices in identifying top applicants, as well as improving applicant volume and yield. Kira University’s first course, “The Master of Business School Admissions,” includes four lessons: Think Like a Marketer, Redesign the Admissions Process, Assess Students Better, and Cultivate the Best Cohort. The course features insights from experts at organizations such as LinkedIn, Hootsuite, the University of Michigan, and the University of Toronto’s Rotman School of Management. *Visit [learn.kiracademic.com](http://learn.kiracademic.com).*

## EYE ON SOFT SKILLS

Ed tech company YouSeeU recently introduced a new Soft Skills Assessment Service. The tool allows schools to measure and analyze student progress toward meeting program learning objectives, as well as generate reports that demonstrate their continuous improvement processes to help facilitate accreditation. YouSeeU’s online platform also enables students to complete video-based assignments to learn soft skills such as advanced thinking, organization, and communication. *Visit [www.youseeu.com](http://www.youseeu.com).*

## CAPTURING THE LEARNING PROCESS

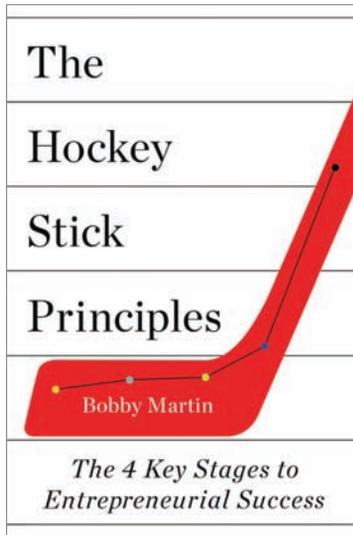
**LiveText Inc.**, a provider of learning, assessment, and e-portfolio tools, has launched Via, a learner-centered platform that records events in the student learning process so that students, faculty, and programs can take effective action to improve student performance. Students can highlight work that appears in Via’s Timeline in their personal e-portfolios, which they can share directly with individuals or over social media. Other Via features include a customizable workflow engine, creative authoring tools, group work support, and assessment and reporting tools that can be configured to suit different workflows. The tool also manages assessments based on prior experience and competency-based learning, strategic institutional planning, curriculum review, and co-curricular activities. *Visit [www.livetext.com](http://www.livetext.com).*



## MENTION ATTENTION

Altmetric has launched Altmetric Badges for Books, a service that shows authors, editors, and readers what kind of attention books and chapters are receiving online. The badges are designed to be embedded in book and chapter pages on publisher websites and other content-hosting platforms. The donut badges provide a real-time record of how many mentions content is receiving from mainstream media, blogs, social media, and peer review platforms. *Visit [www.altmetric.com/](http://www.altmetric.com/).*

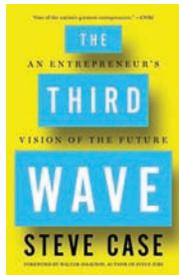




## THE HOCKEY STICK PRINCIPLES

After studying more than 170 successful startups, entrepreneur Bobby Martin concludes that they all follow a growth pattern that mimics the shape of a hockey stick. At the tip of the blade is the tinkering phase, where the founders develop their ideas; next comes the flat blade phase, where they commit to founding the company; then they angle into the inflection point, where sales begin to take off; finally, they enjoy the upward phase of surging growth. Each stage comes with its challenges, and Martin provides examples of entrepreneurs who handled them well or poorly. Even the period of surging growth can be dicey, as entrepreneurs learn that the skills they needed to launch a company aren't the same ones they need to keep it growing. He peppers the text with 92 "hockey stick principles" that often run counter to conventional wisdom—including "You don't need a good idea" and "Your time and cost estimates will always be wrong." It's a fast, engaging, and helpful read. (Flatiron Books, US\$27.99)

## THE THIRD WAVE



America Online co-founder Steve Case presents a rollicking ride through the early days of the Internet and AOL. But he's offering more than history here; he's looking at the future. The first wave of the Internet was about infrastructure, he says, while the second one has been about mobility and social networking. "The Third Wave of the Internet will be defined not by the Internet

of Things; it will be defined by the Internet of Everything... [and] every industry in every economic sector is at risk of being disrupted." While brash young second-wave entrepreneurs were able to launch ideas first and monetize later, Case believes third-wave leaders will need old-school business skills to succeed. They'll have to build partnerships across sectors, know how to navigate the policy landscape, and overcome barriers to entry. And they'll need to do it soon. As he puts it, "The Third Wave is cresting. And whether you're an entrepreneur looking to embrace it or a corporation trying to brace for it, this is not an event you can afford to ignore." (Simon & Schuster, US\$26.95)

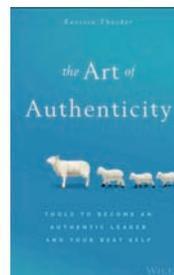
## GREEN LIES

As the buying public grows more interested in sustainable design, more companies promote their green products and processes—and more companies lie about how environmentally conscious they really are. "The bottom line is that greenwashing has become yet another strategy that has emerged in order to adapt to changes in consumer demands and external



expectations," writes Pascual Berrone of IESE in this self-published book. After tracing the history of the environmental movement, he takes a look at the steps companies take to present themselves as green. He finds that purely symbolic actions, such as community development and environmental reporting, are not nearly as useful to a company's reputation as substantive actions such as investing in responsible resource management. In fact, he writes, "symbolic procedures negatively impact reputation, which in turn takes its toll on the market, damaging a firm's market capitalization." His overall conclusion: "Greenwashing is not a viable strategy as the risks are too great; short-term gains cannot thwart long-term necessities." (CreateSpace, US\$29.95)

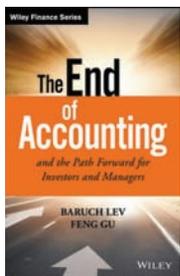
## THE ART OF AUTHENTICITY



In the factory-driven Industrial Age, conformity was the key to success in the workplace, but "fitting in" is not the best strategy in today's era of innovation. In fact, the best leaders are those who have personality quirks that set them apart, that make them seem distinct—and, yes, that make them appear authentic. Karissa Thacker, a management consultant and adjunct faculty member at the University of Delaware, challenges readers to identify their own "signature contributions" and harness them for the workplace. She asks, "What is the unique combination of skills

and perspectives that only you can bring?” She draws on recent research in psychology to show that we all have multiple facets to our personalities and that, more than self-awareness, we need “selves awareness” to understand why we react differently in different situations. It is the manager’s job, she argues, to create an environment where people can bring their best—i.e., their authentic—selves to work. “People are always calculating how much they can trust their leaders,” she writes. “It is the leader’s responsibility to create a climate in which people are safe to tell the truth.” (Wiley, US\$25)

### THE END OF ACCOUNTING



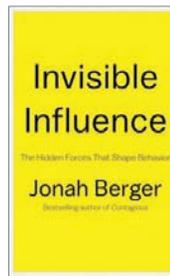
If you looked at U.S. Steel’s first annual report in 1902 and compared it to the company’s 2012 version, you’d see structurally identical presentations of balance sheets and income statements. The fact that data reporting seems “frozen in time” is a serious problem for the accounting field, according to Baruch Lev of NYU and Feng Gu of SUNY Buffalo. They write, “We grade the ubiquitous corporate financial report information as largely unfit for twenty-first century investment and lending decisions.” They propose a new type of report that includes information about “patents, brands, technology, natural resources, operating licenses, customers, business platforms...and unique enterprise relationships.” This sharp, smart book takes a new look at an old discipline. (Wiley, US\$49.95)

### ACHIEVING LONGEVITY



Many of us believe we’re living in a time of unprecedented change, but Jim Dewald of the University of Calgary doesn’t agree. Today’s corporations are only improving efficiency and streamlining costs; they aren’t developing true inventions that can cause paradigm shifts along the lines of the automobile or distributed electricity. In fact, present-day companies strive to be too much like their competitors, he believes, which is causing commoditization of products and ultimately the failure of the firm. What’s needed in corporations today, he argues, is an innovative mindset—an entrepreneurial spirit that encourages companies to experiment with new ideas. While corporations have “the money, the ideas, the brainpower, the leadership capabilities, the sales channels, the suppliers, the research facilities, the customers, the status” to be entrepreneurial, he writes, they lack the will to take risks. But if they don’t take risks, they won’t survive. He offers a framework to help corporations overcome barriers to innovation in their quest to achieve longevity. (University of Toronto Press, US\$32.95)

### INVISIBLE INFLUENCE



We all believe we know our own minds when it comes to picking a college, a car, or a spouse. But the truth is, we all constantly take into account the opinions of others before we make our own decisions. In fact, according to Wharton’s Jonah Berger, “Ninety-nine percent of all decisions are shaped by others.” This pervasive “social influence” has deep implications for the business world. For instance, social influence causes people to publicly subscribe to the opinions other people have expressed, even if they don’t agree; however, if even one other person presents an opposing view, everyone else feels freer to speak up. Thus, company leaders who want diverse input should solicit it privately or encourage that lone dissenting voice. Social influence also leads us to trust others who look or act like us; therefore, negotiators who mimic the behavior of their counterparts are five times more likely to close the deal. What’s even more interesting is that most people aren’t aware that social influence occurs—until they read books like this. (Simon & Schuster, US\$26.99) ▶

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## BUILDING A FINANCE LAB?

[universityfinancelab.com](http://universityfinancelab.com)



John Graham (third row, far right) and William Hernandez (first row, far right) stand with a group of UC Irvine students who traveled to the University of Havana for a weeklong course on the Cuban business environment.

## Learning in Cuba

COLLABORATIVE PROGRAMS PROMOTE UNDERSTANDING

**INTERNATIONAL BUSINESS PROFESSORS** from the Center for Global Leadership (CGL) at the Paul Merage School of Business at the University of California, Irvine, and the Centro de Estudios de Técnicas de Dirección (CETED) at the University of Havana (UH) in Cuba recently collaborated to develop programs that enhance student understanding of U.S. and Cuban business cultures. The first, held in March, taught 40 Cubans how to negotiate effectively with Americans and other potential trading partners. William Hernandez Requejo and John Graham of CGL and Alexis Codina Jiménez and Rafael Montejo of CETED created the negotiation workshop to highlight the differences between communication styles and economic thinking in Cuba and America.

For example, “Cubans interrupt one another frequently,” says Hernandez, who also serves on the United Nations’ Forum on Foreign Investments in Cuba. “Interruptions are off-putting to Americans

and limit the information that can be gathered by Cuban negotiators.” In the workshop, Cubans learn to ask questions and wait patiently for responses. Likewise, America’s emphasis on capitalism often conflicts with Cuba’s emphasis on collectivism. The workshop aims to solve communication and negotiation problems between the two mindsets.

For the second program, held in April, Hernandez and Graham took 30 Merage MBA students to Havana for a one-week residential course, in collaboration with the UH’s Centro de Investigaciones de Economía Internacional. The course covered different aspects of Cuban business, including food production, tourism, healthcare, and infrastructure development. The students toured several companies, including privately owned restaurants, an organic farm, and a medical clinic. They also visited

the office of a primary care doctor who faces challenges ranging from managing chronic conditions such as diabetes to monitoring the spread of the Zika virus.

Merage and UH students developed business plans for several companies they visited, including a computer hardware distribution center and a sugar production operation, both state-run, and an entrepreneurial 3D printing firm and a spa, both privately owned. After returning to California, the U.S. students continued to work with UH students for two months as part of virtual teams.

The professors have been inspired to develop projects such as these by the “Peace Through Commerce” initiative, says Graham. The initiative was spearheaded in 2006 by Carolyn Woo, former dean of the University of Notre Dame’s Mendoza College of Business in Indiana, and promoted by AACSB International. Last December, the university sponsored a summit on the risks and opportunities businesses face if they plan to enter the Cuban market. Hernandez and Graham plan to travel to UH again this year—this time to hold an executive education workshop to help American and Cuban managers develop their collaboration skills. They also are working with faculty at UH and the University of Aarhus in Denmark to design experiential learning projects in which MBA and engineering students develop renewable energy projects in Cuba.

“After more than a half century of commercial silence between our two countries, the doors of cooperation are now beginning to creak open. During those 50 years we have forgotten how to interact in positive and creative ways,” Graham says. “But since 2009, we have witnessed a continual growth of interest in Cuba and in the U.S. in collaborative work.” President Barack Obama’s announcement that the U.S. would re-establish diplomatic relations with Cuba, he adds, “was a tipping point.”

## Funding the SDGs

The United Nations’ Sustainable Development Goals (SDGs) got a step closer to attainment in April due to a US\$10 million gift from the Jeffrey Cheah Foundation, a Malaysia-based higher education foundation that owns 12 learning institutions.

The gift will establish the Jeffrey D. Sachs Center on Sustainable Development in Kuala Lumpur. The center will be hosted by Sunway University (SU) and supported by the U.N.’s Sustainable Development Solutions Network (SDSN) as a regional center of excellence that advances achievement of the SDGs in Malaysia and Southeast Asia.

The gift will support a host of initiatives, including the launch of a master’s degree in sustainable practice at Sunway University; the development of an online program in sustainable development available through SDSN; and the creation of up to ten textbooks focused on the SDGs.

According to Jeffrey Sachs, SDSN director and special advisor to the U.N.’s secretary-general Ban Ki-moon, “This generous gift will create and curate the world’s best curriculum, academic, and executive programs on sustainable development. Importantly, this partnership focuses on the development challenges in Southeast Asia.”



## UOPEOPLE OFFERS MBA

At a time when earning an MBA degree can cost tens of thousands of dollars, the University of the People (UoPeople) has announced that it will offer its first accredited, tuition-free online MBA program. The program joins the school’s existing associate and bachelor’s degree programs in business administration and computer science, all of which are accredited by the Distance Education and Accreditation Commission.

Delivered in five nine-week terms over 15 months, the UoPeople MBA features eight core courses, four electives, and a capstone experience. The school will accept 100 students for its first term this fall, and then over time expand and offer rolling admissions. To be considered for the MBA, all applicants also must complete eight prerequisite courses, either at UoPeople or other institutions. The program will be directed by Russell Winer, who is the William H. Joyce Professor of Marketing at New York University’s Stern School of Business in New York City as well as UoPeople’s dean of business administration.

Since its founding in 2009, UoPeople has graduated 200 students. Of these, 66 have earned associate’s degrees in business and 37 have earned bachelor’s degrees in business.

► For information, visit [www.uopeople.edu](http://www.uopeople.edu).

# Schools Offer Microcredentials

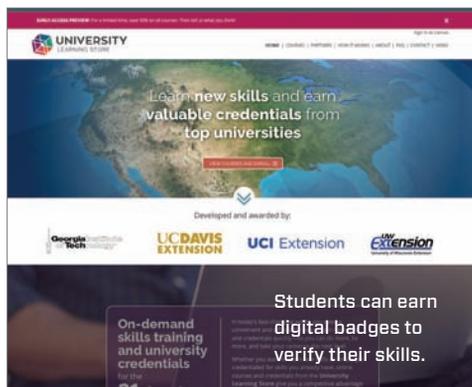
**SIX U.S. UNIVERSITIES** have partnered to create the University Learning Store, an online learning portal where entry- to senior-level employees can earn microcredentials in the form of digital badges or printed certificates. These microcredentials, which students earn by completing skills-based assessments, can be produced as evidence of their skills in areas such as creating effective business documents, mastering global business email communication, and using active listening skills.

Participating schools include Georgia Institute of Technology Professional Education; the University of California, Los Angeles; the University of California, Davis, Extension; the University of California, Irvine, Division of Continuing Education; the University of Washington Division of Professional and Continuing Education; and the University of Wisconsin-Extension. The University Learning Store credentialing program has been designed and vetted by higher education institutions that can verify the capabilities of those who earn the badges, says David Schejbal, dean of the University of Wisconsin-Extension.

Microcredentials can be combined to create larger certifications. The first two certifications the platform will offer include one in global business communication delivered by Georgia Tech and one in business communications delivered by UW-Extension. An additional certification in effective business writing, to be delivered by UC-Irvine, is in the pipeline.

The University Learning Store will continue to offer microcredentialing courses in three categories: power skills in areas such as communication, teamwork and collaboration, critical thinking, and problem solving; technical skills in areas such as information technology, agriculture, healthcare, and sustainability; and career advancement skills in areas such as leadership, public speaking, management, and negotiation.

As more workers seek to update their skills through just-in-time short-format courses rather than commit to long-term degree programs, microcredentialing is likely to grow in importance, says Nelson Baker, dean of Georgia Tech Professional Education. “Industry validation,” he says, “is the final frontier of proving the value of lifelong learning.”



▶ For more information, visit [universitylearningstore.org](http://universitylearningstore.org).

## TRANSITIONS

This summer, **Jordi Canals** of the University of Navarra's IESE Business School in Barcelona, Spain, will step down from his current position and return to the IESE faculty. During Canals' 15 years as dean, IESE expanded its international footprint by opening campuses in New York, São Paulo, and Munich, and by launching new associated schools in Latin America and Africa.

Effective December 1, **Mark Taylor** will serve as the new dean of the John M. Olin Business School at Washington University in St. Louis, Missouri. Taylor is currently dean and professor of international finance at Warwick Business School in the U.K. He will replace **Mahendra Gupta**, who steps down June 30. **Kurt Dirks**, senior associate dean and the Bank of America Professor of Managerial Leadership at Olin, will serve as dean in the interim.

Ball State University in Muncie, Indiana, has named **Jennifer Bott** dean of its Miller College of Business. Bott has acted as interim dean since last June; before that, she served as associate provost for learning initiatives, and she also has served as executive director of the MBA and graduate certificate programs. She has been at Ball State since 2004.

Pepperdine University in Malibu, California, has appointed **Deryck J. van Rensburg** dean of the Graziadio School of Business and Management. Van Rensburg, former president of global ventures at the Coca-Cola Company, will assume his responsibilities November 1. Van Rensburg succeeds **David M. Smith**, who has led the Graziadio School for the last two years.

IMD in Lausanne, Switzerland, has appointed **Jean-François Manzoni** as its next president. His five-year term will begin January 1. Manzoni currently holds the Shell Chair for Human Resources and Organizational Development at INSEAD in Singapore. He will succeed **Dominique Turpin**, who has served as president since 2010.

**Tom Hayes** is the new dean of the Williams College of Business at Xavier University in Cincinnati, Ohio. Hayes, who has been teaching at the university for four decades, is currently a professor and chair of the marketing department



Jordi Canals



Jean-François Manzoni



Kay Palan



Balaji Rajagopalan



Noreen R. Sharpe



Matthew A. Waller



Linda Nowak



Paul E. Tesluk

at Xavier. Hayes replaces **Brian Till**, who left Xavier in July 2015 to lead the business school at Marquette University in Milwaukee, Wisconsin. Finance professor **Stafford Johnson** has been serving as the school's interim dean since Till's departure. Hayes' appointment is effective July 1.

**Paul Bobrowski** has been named dean of the Monfort College of Business at the University of Northern Colorado in Greeley. He has served for the past 10 years as dean of the School of Business Administration at the University of Dayton in Ohio, and he previously was Wachovia Dean and associate professor of operations management at Auburn University in Alabama. He takes his new post August 1.

The University of South Florida St. Petersburg has named **Sridhar Sundaram** dean of the Kate Tiedemann College of Business. Sundaram most recently served as associate dean for graduate programs and centers, as well as academic director of the EMBA and full-time integrated MBA program at the Seidman College of Business at Grand Valley State University in Grand Rapids, Michigan.

**John T. Delaney** has been named dean of the Kogod School of Business at American University in Washington, D.C., effective July 18. He was most recently professor of business administration at the University of Pittsburgh in Pennsylvania; he previously served as dean of Pitt's Joseph M. Katz Graduate School of Business and the College of Business Administration.

**Noreen R. Sharpe** will be the next dean of the Peter J. Tobin College of Business at St. John's University in New York City. She currently serves as senior associate dean and director of the undergraduate program at the McDonough School of Business at Georgetown University in Washington, D.C. She will take up her new role this summer.

**Joyce E.A. Russell** has been named the Helen and William O'Toole Dean of the Villanova School of Business in Pennsylvania, effective August 1. She currently serves as senior associate dean of the Robert H. Smith School of Business at the University of Maryland at College Park. There, she previously served as vice dean and as director of the Executive Coaching and Leadership Develop-

ment Program. She also launched the Office of Transformational Learning, which promotes cutting-edge ideas in business pedagogy and curriculum.

On May 1, **Matthew A. Waller** became dean of the Sam M. Walton College of Business in Fayetteville, Arkansas. Waller, a teacher at the Walton College for more than 20 years, has been serving as interim dean of the college. He will hold the Sam M. Walton Leadership Chair in Business in addition to serving as dean.

Salem State University in Massachusetts has

appointed **Linda Nowak** as dean of its Bertolon School of Business effective April 1. Nowak has served as interim dean since July 2015. Prior to joining Salem State, she was dean of the College of Business Administration at California State University at Stanislaus, where she also held the title of professor of marketing.

**Paul E. Tesluk**, the Donald S. Carmichael Professor of Organizational Behavior, has been appointed dean of the University at Buffalo School of Management in New York. The appointment was effective April 25. Tesluk, who has been at the school since 2011, has served as interim dean for the past year.

The Northern Illinois University College of Business in DeKalb has named **Balaji Rajagopalan** its next dean. Rajagopalan most recently served as the head of the Black School of Business at Penn State Behrend, where he also held the Toudy Chair in Entrepreneurship and Innovation. He assumes his new role at NIU on July 1.

**Kay M. Palan** has been named dean of the University of Alabama's Culverhouse College of

Commerce in Tuscaloosa. Palan is currently dean of Haworth College of Business at Western Michigan University and previously served as associate dean for undergraduate programs at Iowa State University. She begins her appointment on July 1.

Hult International Business School, which has campuses in London, Boston, San Francisco, Shanghai, and Dubai, has appointed **Johan Roos** as its chief academic officer. As CAO, Roos is responsible for the school's global undergraduate, graduate, and executive education programs, as well as activities related to research, regulatory compliance, and accreditation. Roos had just joined Hult as its chief strategy officer in January, after serving as dean of Jönköping International Business School in Sweden.

Three individuals have been appointed to the board of directors for AACSB International for terms that will run from July 1, 2016, through June 30, 2019. They are **Reginald H. Gilyard** of Chapman University in Orange, California; **Jikyeong Kang** of the Asian Institute of Management in Manila in the Philippines; and **Philip Vergauwen** of Maastricht University in the Netherlands.

The Australian Business Deans Council (ABDC) has appointed **Stephen Taylor** as its inaugural Research Scholar—a new role that will aim to expand collaboration between universities and industry. Taylor is associate dean of research and development and professor of financial accounting at the University of Technology Sydney Business School in Australia. The ABDC Research Scholar will implement the organization's research engagement strategy by highlighting the role business schools can play in supporting Australia's long-term competitiveness and productivity.

## HONORS AND AWARDS

**Herbert Jack Rotfeld**, a marketing professor in Auburn University's Raymond J. Harbert College of Business in Alabama, has been named a fellow by the American Academy of Advertising. The award recognizes lifetime achievement in the advancement of advertising scholarship and education, as well as service to the academic discipline. Rotfeld, author of the book *Adventures in Misplaced Marketing*, has served as editor of the *Journal of Consumer*



Herbert Jack Rotfeld



Oliver Williamson



Patricia M. Flynn

*Affairs* and as president, treasurer, and publications committee chair for the academy.

**Allen Lee**, a professor in the School of Business at Virginia Commonwealth University (VCU) in Richmond, recently accepted the LEO Award for Lifetime Exceptional Achievement in Information Systems. The award is given out by the Association for Information Systems.

The Kiel Institute for World Affairs in Germany recently awarded the Global Economy Prize to Nobel Prize Laureate **Oliver Williamson**, who is Edgar F. Kaiser Professor Emeritus at the Haas School of Business at the University of California Berkeley. The Kiel Institute, a European think tank devoted to economics, recognized Williamson for his lifelong work in economics.

**Patricia M. Flynn** is the inaugural recipient of the Patricia M. Flynn Distinguished Woman Leader in Business Education Award bestowed by the Women Administrators in Management Education (WAME) Affinity Group of AACSB International. Flynn was one of the first women to be named dean of a business school when she took the position in 1992 at Bentley University in Waltham, Massachusetts. She is currently a professor at that school. A longtime champion of the role of women in administration, Flynn was instrumental in bringing gender diversity topics to event programming at AACSB and has published extensively on the role of women in business.

Two Canadian organizations recently recognized business professors for their research and service.

The Canada Council for the Arts awarded its Killam Prize to **Dan Trefler**, professor of business economics and J. Douglas and Ruth Grant Canada Research Chair in Competitiveness and Prosperity at the University of Toronto's Rotman School of Management. The prize recognizes his research contributions on international trade, innovation, and competitiveness. In addition, the Bank of Canada distributed three awards through its Fellowship Program, which encourages research and development of expertise in Canada. One Fellowship Award went to Trefler; a second one went to **Francesco Trebbi** of the University of British Columbia's Vancouver School of Economics. **Liyan Yang**, an associate professor of finance at the Rotman School, was honored with the Bank of Canada's 2016 Governor's Award.

## GIFTS AND DONATIONS

The estate of Joseph Rotman is making a landmark gift of CAN\$30 million to the **University of Toronto's** Rotman School of Management in Ontario. The gift will be matched by the University of Toronto to establish a \$45 million Rotman Catalyst Fund, as well as provide additional support for scholarships, faculty positions, and infrastructure investments.

Jerome Chazen has donated US\$10 million to Columbia Business School at **Columbia University** in New York City. The money will support the Chazen Institute for Global Business, which is the new name of the Chazen Institute of International Business. The gift will continue the institute's existing activities, expand its global visibility, and launch new initiatives. One new initiative is the

Chazen Research Fellows program, which invites visiting faculty members to conduct research, develop courses and cases, and foster relationships with other parts of the university. Chazen is a co-founder and chairman emeritus of fashion house Liz Claiborne Inc.

The Wharton School of the **University of Pennsylvania** in Philadelphia recently received a gift of US\$5 million from alumnus David Trone and his wife, June. The gift will establish the Trone Family Public Policy Initiative Fund as part of the broader Penn Wharton Public Policy Initiative.

Entrepreneurs Frank and Ellen Daveler have donated US\$2.9 million to the **University of South Florida's** Muma College of Business in Tampa to spearhead a statewide effort to educate entrepreneurs. The estate and cash gift will establish the Frank & Ellen Daveler Entrepreneurship Program at USF with a mission to help undergraduate students launch businesses. The estate gift also will fund up to US\$50,000 annually in scholarships for USF business students who are the first in their families to attend college.

**New York University's** Stern School of Business announced the establishment of the Marie-Josée and Henry R. Kravis Family Scholarship, made possible through a US\$1.8 million gift from the Marie-Josée and Henry R. Kravis Foundation. This scholarship will support high-achieving, low-income students who are admitted to Stern's Undergraduate College for fall 2016.

A US\$1 million gift from Ted Leonsis and his family has created the Leonsis Family Entrepreneurship Prize at **Georgetown University** in Washington, D.C. Leonsis is CEO of Monumental Sports & Entertainment. The prize will provide financial support to Georgetown students and recent alumni who have launched or are preparing to launch new business ventures that address real-world problems.

The Anderson School of Management at the **University of California in Los Angeles** has received a generous donation from alum Bernard Briskin and his wife, Judy. The gift establishes a fund for a marketing specialization, supports a Distinguished Visitors series, and sets up awards for marketing students in the MBA and fully em-

ployed MBA programs. Bernard Briskin is the former CEO of real estate company Arden Group.

### NEW PROGRAMS

This fall, **Georgia State University's** J. Mack Robinson College of Business in Atlanta will launch a redesigned program for its flagship part-time MBA. Robinson offers its part-time MBA in two formats: a 24-month cohort-format Professional MBA for early- to mid-career professionals and a Flexible MBA for early-stage professionals. For both programs, 75 percent of the curriculum is new or has been redesigned; new material focuses on data and analytics, applied learning experiences, and innovation and design thinking. For the Professional MBA, one-third of the content that was previously presented in the classroom now will be delivered online.

In October, **Warwick Business School** in the U.K. will launch a new EMBA with a specialization in healthcare targeted at clinicians, senior doctors, senior management, and pharmaceutical professionals. The MBA will examine the future of healthcare and explore how big data analytics and technology companies will play increasingly important roles in the industry. Half of the degree will focus specifically on the healthcare field, while the other half will focus more generally on management.

The Kenan-Flagler Business School at the **University of North Carolina in Chapel Hill** will offer four new graduate certificates through its online MBA program MBA@UNC. They include leadership development, finance, data analytics and decision making, and entrepreneurship and strategy. Certificate students will take classes alongside students in the MBA@UNC degree program.

The **University of Central Florida's** Rosen College of Hospitality Management in Orlando is launching a new BS in entertainment management with the help of a US\$5 million private donation from an anonymous donor. The program aims to provide a career path for students seeking employment in the nearly US\$1.5 trillion international entertainment industry.

**Babson College** in Wellesley, Massachusetts, has introduced a nine-month full-time MS in finance program that will start enrolling students

this fall. In addition to focusing on financial and quantitative knowledge, the program will help students develop problem-solving skills, ethical and professional judgment, and communication skills. Students will take core courses with their peers while learning alongside MBA candidates in elective courses.

This fall, the Paul Merage School of Business at the **University of California Irvine** will roll out a new offering in its Fully Employed MBA (FEMBA) program: FEMBA Flex. FEMBA Flex will be delivered in a hybrid learning environment, combining online learning with on-campus experiences. FEMBA Flex will be added to the current on-campus FEMBA program, enabling incoming students to choose the option that they prefer upon admission.

**Cornell University's** Johnson Graduate School of Management in Ithaca, New York, recently launched Designing Data Products, a course in which students will learn to build their own predictive data models without having to write the computer code themselves. Designing Data Projects will be taught by Lutz Finger, the director of data analytics for the professional social media platform LinkedIn.

The **University of Michigan** is launching three new certificate programs on the online edX platform. Offered as part of the school's XSeries online curriculum, the programs include 15 courses and will cover three topics: user experience research, user experience design, and corporate financial analysis. The courses were developed with the help of the school's Office of Digital Education & Innovation. UM hopes to adapt 200 courses for online delivery over the edX platform by the end of 2017.

In the spring, **IMD** in Lausanne, Switzerland, launched Global Leadership in the Cloud, an interactive series of eight fully online executive education programs on topics that include finance, marketing, leadership, innovation, strategy, partnerships, and pricing. Each eight-week program offers participants opportunities to work with individual coaches and learning partners, as well as receive personalized feedback. Offered twice a year, the programs target executives with six to ten years of experience.

## NEW CENTERS & FACILITIES

The Schulich School of Business at **York University** in Toronto, Ontario, Canada, has opened a new behavior and product design testing facility that will house its NOESIS Innovation, Design, and Consumption Laboratory. Researchers at the new facility will have access to specially calibrated equipment to measure physiological responses, such as changes in pupil size, that occur when people are introduced to new products and design innovations.

In August, the **University of Virginia** Darden School of Business in Charlottesville began offering its EMBA and Global MBA for Executives in Rosslyn, Virginia, near Washington, D.C. With its proximity to the city's train station and airports, the Rosslyn location will make the programs more easily accessible for executives who commute to monthly weekend residencies from outside the region. Although they will spend time at the Charlottesville campus, the executives can choose Charlottesville or Rosslyn as their base learning location. The school has appointed Greg Fairchild as the associate dean for Washington, D.C., and academic director of public policy and entrepreneurship.

## COLLABORATIONS

The **Frankfurt School of Finance and Management** in Germany is partnering with the Islamic Relief Academy and Islamic Relief

Worldwide to develop an online certification course in Islamic microfinance. The course will cover the technical aspects of retail banking as well as the ethics of Islamic finance and various issues in compliance and regulation.

Through a partnership between the **Sabanci University** School of Management in Istanbul, Turkey, and **Columbia Business School** in New York City, Sabanci's EMBA students will attend a two-week leadership program at Columbia. During the program, the students will attend lectures and visit New York businesses to gain a better understanding of the global business environment.

The Organization of American States (OAS) and **La Rochelle Business School** in France have signed an agreement aimed at developing tourism projects between France and the Americas. Among other things, the agreement will allow La Rochelle students to carry out work placement and humanitarian projects in the Americas. The partnership also will enable research projects designed to help develop OAS member states.

Starr Companies, a global insurance and investment organization, and SunTrust Banks Inc., a national financial services company, have become the inaugural business partners for the Institute for Insight at the J. Mack Robinson College of Business at

**Georgia State University** in Atlanta. The Institute for Insight aims to bring students and institutions together to explore new business opportunities that are uncovered by big data analytics.

The Haub School of Business at **Saint Joseph's University** in Philadelphia, Pennsylvania, has launched a fully online EMBA program with the Philadelphia College of Osteopathic Medicine (PCOM). The new EMBA will focus on healthcare and target alumni of the PCOM's doctoral program in osteopathic medicine. The program enrolled its first cohort of 21 professionals this spring.

**Western Kentucky University** in Bowling Green is partnering with Alltech Lexington Brewing and Distilling Company to bring a production-level brewing system to the campus. The brewery will support new undergraduate and graduate certificates in brewing and distilling arts and sciences, all due to begin this summer. The curriculum combines expertise from the Ogden College of Science and Engineering, the Potter College of Arts & Letters, and the Gordon Ford College of Business.

## OTHER NEWS

**IESEG School of Management** in Paris, France, is opening an international office for Latin America in Bogotá, Colombia. Its purpose will be to increase awareness of IESEG across Latin America, recruit students, and intensify links with universities, business schools, alumni, and companies in the region.

**The Ohio State University's** Fisher College of Business in Columbus has announced that the new primary corporate sponsor for its National Center for the Middle Market (NCMM) will be SunTrust Banks; supporting sponsors include Grant Thornton and Cisco. Fisher College initially founded NCMM with the support of a multiyear partnership with GE Capital; however, in 2015, GE fully divested middle market businesses from GE Capital's portfolio.

The Muma College of Business and information systems decision science department at the **University of South Florida** in Tampa are changing the name of their jointly offered bachelor of science in MIS degree to a bachelor of science in business analytics and information systems. The change reflects the fact that the school has added more coursework focusing on analytics and business intelligence. 

## GE Joins AUC V-Lab

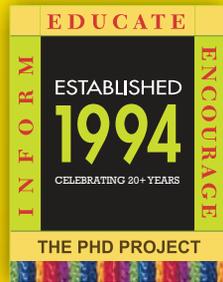
The **American University in Cairo** (AUC) has announced a five-year partnership with General Electric (GE), through which GE will sponsor AUC Venture Lab, an incubator designed to commercialize technologies and innovations developed by Egypt-based startups. GE's sponsorship will cover training and workshops, competitions between startups, and boot camps. The company plans to sponsor two acceleration cycles per year; each cycle generally incubates between eight to ten startups for a period of four months. The AUC Venture Lab also has announced the incubation of ten new startups in the sixth cycle of a three-year partnership with the Arab African International Bank. Over the next three years, the partnership between AUC V-Lab and AAIB will create a new track at V-Lab to support e-commerce startups.



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- Tom Robinson  
President and CEO of AACSB International

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The PhD Project is also focusing on the need for diversity in administration, having found fewer than 25 African-American, Hispanic American and Native American Deans at non-HBCU business schools in the U.S. Our Project AHEAD, Achieving Higher Education Administration Diversity, encourages tenured minority faculty to explore positions in administration and provides resources, support and mentors to help members pursue this path.

Thank you to the over 320 business schools who are dedicated to diversifying their campuses with The PhD Project. To view a full list of participating schools, visit [phdproject.org](http://phdproject.org) and click on 'Support the PhD Project'.

Learn more about participating to The PhD Project by contacting **Bernard J. Milano** at 201.307.7662 or [bmilano@kpmg.com](mailto:bmilano@kpmg.com).

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The number of CFOs who believe their economies will be in recession by the end of 2016.

FROM “CFOS LOOK TO THE FUTURE” ON PAGE 18.

## WHEN BAD IS OK

Unethical employees are likely to be tolerated if they're also high performers. They're only ostracized if they're both unethical and unproductive.

READ “BAD MORALS, GOOD WORKERS” ON PAGE 20.

The increase in lifetime earnings for those who remain entrepreneurs, even after failed ventures, compared to the earnings of those who never start businesses.

# 10%

READ “NO-RISK ENTREPRENEURSHIP” ON PAGE 16.

## PERFECTING EXEC ED

“To manage inclusive exec ed classrooms, professors must master what it takes to bring everyone into the conversation, so that all useful knowledge in the classroom is shared,” emphasizes Elizabeth Weldon, founder of the consulting firm Executive Education with Impact. “That means ... they must be able to listen thoughtfully, respond respectfully, and let the conversation between participants flow as long as people are sharing helpful ideas.”

▶ READ HER ARTICLE “SKILLING UP” IN EXEC ED” AT [WWW.BIZEDMAGAZINE.COM/ARCHIVES/2016/7/FEATURES/TEACHING-EXECUTIVE-EDUCATION](http://WWW.BIZEDMAGAZINE.COM/ARCHIVES/2016/7/FEATURES/TEACHING-EXECUTIVE-EDUCATION).

## FINANCIAL FORESIGHT

“To prepare new PhDs for today’s academic marketplace, PhD programs in financial planning should give students experiences that develop their teaching, collaboration, communication, and career-building skills, such as team projects, conference presentations, and internships,” according to a survey of financial planning higher ed programs. It was conducted by certified financial planners John Grable and Charles Chaffin and financial analyst Michelle Kruger.

▶ TO READ A SUMMARY OF THEIR SURVEY, VISIT [WWW.BIZEDMAGAZINE.COM/ARCHIVES/2016/7/FEATURES/PREPARING-FINANCIAL-PLANNING-FACULTY](http://WWW.BIZEDMAGAZINE.COM/ARCHIVES/2016/7/FEATURES/PREPARING-FINANCIAL-PLANNING-FACULTY).

## KNOWLEDGE VS. WISDOM

“We are on the cusp of an era in which a few swipes of a tablet computer’s screen may be sufficient to download the sum total of humankind’s learning, yet all the facts in the world are of authentic worth only if we know what to do with them, what they really mean, how they might be applied, and how they combine to make new facts,” writes Martin Binks of the Nottingham University Business School.

▶ READ HIS OP-ED “TO PREPARE FOR THE FUTURE, WE MUST RELIVE THE PAST” IN THE “YOUR TURN” SECTION AT [WWW.BIZEDMAGAZINE.COM](http://WWW.BIZEDMAGAZINE.COM).

## WOMEN RULE ONLINE

Women do better than men at securing money through crowdfunding, say UC Berkeley’s Andreea Gorbatai and Northwestern’s Laura Nelson. That’s because they use inclusive, emotional language free of business jargon—and that’s what moves online donors.



READ “WOMEN ENJOY CROWDFUNDING SUCCESS” ON PAGE 20.

## TELLING STORIES

“Oprah Winfrey, Steve Jobs, Mark Zuckerberg, and Elon Musk all share the ability to tell their stories. Whether graduates work within a firm, operate as consultants, or launch their own businesses, they must be able to crystallize their positions and advocate for their ideas,” writes financial analyst Sean Stein Smith.

▶ READ HIS OP-ED “COMMUNICATING ABOUT TECHNOLOGY” IN THE “YOUR TURN” SECTION AT [WWW.BIZEDMAGAZINE.COM](http://WWW.BIZEDMAGAZINE.COM).

# US\$6.5 BIL

The value of the 319 university-based equity investments made worldwide during the first half of 2015, as tracked by *Global Venturing Magazine*.

READ MORE ABOUT COMMERCIALIZATION OF UNIVERSITY RESEARCH IN “STATE OF DEVELOPMENT” ON PAGE 22.

# OUTPERFORMING EXPECTATIONS

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-U.S. News & World  
Report, 2016

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in the U.S.  
-The Economist, 2015

**Top 10**

Graduate School for  
Entrepreneurship  
-The Princeton Review and  
Entrepreneur magazine,  
2015

**#1**

Online MBA  
Program for  
Military Veterans

-U.S. News & World  
Report, 2016

**#41**

Global MBA  
in the U.S.  
-U.S. News & World  
Report, 2016

**Top 20**

Part-Time MBA  
in the U.S.  
-US News & World  
Report, 2016



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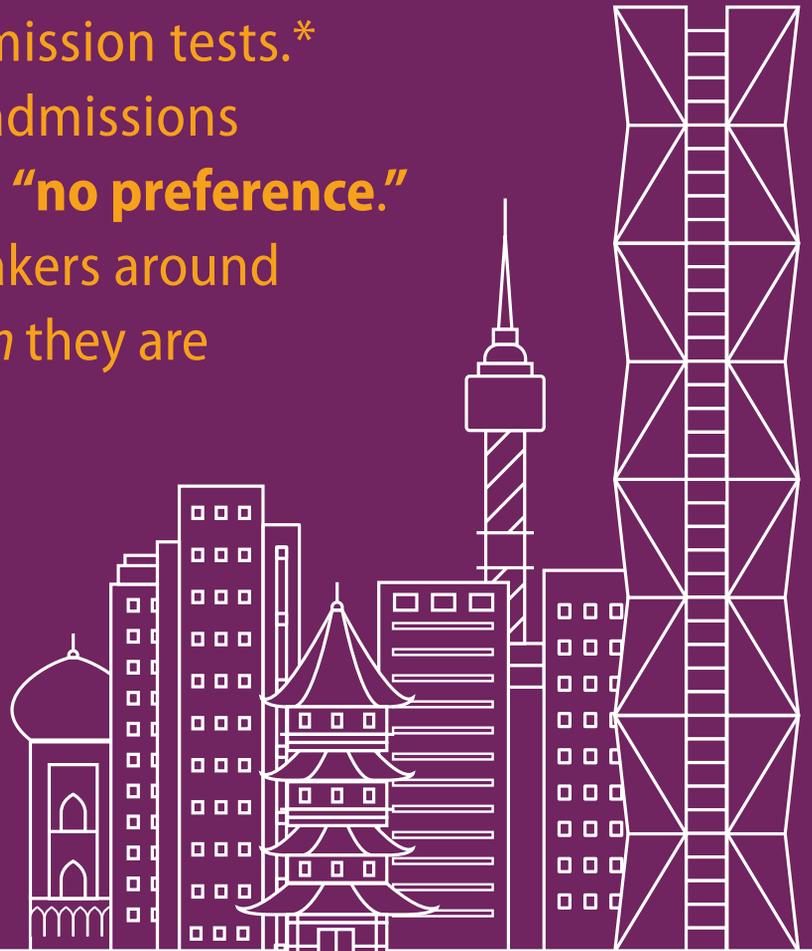
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\* According to Kaplan® Test Prep 2014 and 2015 Business School Admissions Surveys, and ETS GRE Score-User Satisfaction Survey findings.



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