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WELCOME THE WORLD CHANGERS
Today’s social innovators combine unshakeable conviction with best business practices.
Hello Smith Terps!

My name is Brian Meenaghan, and I am the new chair of the Smith Alumni Chapter Board. I stayed active as an alumnus because the university is a passion of mine: My wife and sister and all of our siblings are Terps; many of my closest friends are Terps; and my career was built with the help of fellow Terps. It is important to me personally and professionally to steward our Smith brand by getting involved with the Alumni Chapter Board, and I am proud to take over the chair’s role.

The Alumni Chapter Board advises the university on the needs and desires of its alumni population to build effective programming and other support. The Smith Alumni Chapter of the Alumni Association has a mission to work to build the Smith community, from the day students begin classes into the years after graduation. Alumni are invited to participate in educational, social and professional events, as well as engage with current students.

One of the most critical objectives of the Smith Alumni Chapter — and a growing success story — is the launch of organized Smith Alumni Clubs in New York, Baltimore and Philadelphia. All of these cities have a large population of Smith alumni who deserve programming, support and resources to connect in their regions. The successes of these clubs are contingent on local alumni participation. I invite you to participate as much as your schedule permits to ensure the momentum continues. With your support, the future looks bright for active Smith communities in each of these regions and others to come.

A community is only as great as its members. I know that you valued your time at Smith and carry the brand with you. It is our collective responsibility to be stewards of the Smith brand. Together, we need to continue to stay connected and to support students and each other for the betterment of everyone. Be proud to be a Smith graduate. I look forward to the continuing success of our Smith alumni community.

Go Terps!

Brian Meenaghan ’05
Chair, Smith Alumni Chapter

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The Many Bow Ties of Joe Bailey

It started innocently enough. Five years ago, Joe Bailey, research associate professor of decision, operations and information technologies and director of the QUEST undergraduate honors program, put on a bow tie in honor of his bow tie-wearing father-in-law. But then there was another bow tie, and another. And bow ties seemed to demand a different aesthetic for jackets. And trousers. And belts.

When Bailey walks Van Munching Hall these days, he's instantly recognizable by his bright ensembles coordinated around the inevitable bow tie. It's not a character or persona — this is how Bailey likes to dress. “Solidly traditional American,” he describes it. Even the cut of his seersucker suit is pure Brooks Brothers by way of Nantucket in July.

His students enjoy it, perhaps in part because b-schools tend to be so straitlaced. Bailey’s signature style brings a welcome element of fun, even in classrooms where he’s teaching dry courses such as Introduction to Design and Quality and Managing Digital Business Markets.

“I’d hoped to be in Smith Business because of my groundbreaking research,” Bailey jokes. Just so you know, he has an impressive research career under his (ribbon) belt. Bailey has authored books and journal articles that span issues in telecommunications, economics and public policy, with an emphasis on the economics of the Internet. He’s also earned 11 teaching awards in his 14 years at the Smith School. Undergraduates, MBAs and doctoral students have benefited from Bailey’s teaching prowess. But it’s the Terp pants they will never forget. And he’s okay with that. -RW

“-RW

★ SMITH WELCOMES NEW LEADERS ★

Patty Carocci, Assistant Dean of Development and Alumni Relations

Patty Carocci came to the Smith School from Sidwell Friends School, where she planned and conducted a $58 million campaign, worked closely with and staffed the board of trustees, managed a staff of 14, and had direct responsibility for major and leadership gifts. Carocci started her career at the Pew Charitable Trust, moved into the development field and worked in the advancement offices at higher education institutions including the University of Pennsylvania, Vassar College and Catholic University. She also spent five years with the Ketchum consulting firm working with educational and other nonprofit institutions.

Carocci is focused on building relationships. “We want to reach out to give everyone in the Smith School community a chance to reconnect and participate in the life of the school, whether that is through volunteering, helping us find jobs and internships for students, or giving financially,” says Carocci. “I’d also like to see our department fully involved with faculty and students, so we’re better able to understand and meet their needs. I’m excited about the Smith School Annual Fund, because that will help us bring unrestricted support to those students and faculty. Initiatives like this will allow us to be more strategic as we support the school’s mission.” -RW

Joyce Russell, Ralph J. Tyser Distinguished Teaching Fellow, has been appointed vice dean of the Smith School.

Victor Mullins joins the Smith School as the associate dean of undergraduate programs. He comes to Smith from the University of Illinois.

Ken White, formerly the assistant dean of marketing communications, has been appointed associate dean of MBA & MS Programs at the Smith School.
Run for Your Lives

Ryan Hogan (right) didn’t set out to work with zombies. The active-duty Navy officer candidate created an athletic apparel line called Warwear, targeting military personnel. To help market his brand, he and friend Derrick Smith organized an adventure race, similar to the popular Tough Mudder and Warrior Dash races, but with a macabre twist.

Their 5K obstacle race, called “Run For Your Lives,” challenges participants to race through fields, woods and blood-tinted water, all while dodging zombies trying to snatch flags from belts the runners wear. The full-day events, with entertainment and food, have been overwhelmingly successful. Hogan’s Reed Street Productions’ first race in Baltimore in October 2011 drew more than 11,500 participants. Thirteen races were scheduled across the country this year, with 40 planned for 2013.

With such impressive growth and killer financials — an estimated $15 million in revenues this year — Reed Street Productions clinched the top prize in the Dingman Center for Entrepreneurship’s seventh annual Cupid’s Cup business competition on March 30. Cupid’s Cup is sponsored by Smith alumnus Kevin Plank, founder and CEO of Under Armour, the Baltimore-based performance apparel company. The competition was the highlight of the UMD Entrepreneurship Invitational, a showcase of the university’s impact on venture creation and economic development in the region.

All this while Hogan is still a full-time student on track to earn his degree in management and marketing at the Smith School in Spring 2013. He’s also stationed at George Washington University’s NROTC unit and has orders to head to flight school in July 2013. And to add to a full plate, Hogan and his wife welcomed their third child in May. He says his biggest personal challenge is time management.

For his company, the biggest challenge is managing growth. His company already has 30 employees and is growing so fast that they had to knock through walls to triple their Baltimore office space.

“We can’t hire quick enough. As chairman of the board, I leave the day-to-day operations up to the team to concentrate on finding the top talent to take us to the next level,” he says. After all, Hogan still has to get to class. –CH
Smith Community Celebrates Rudy Lamone

The name “Rudy Lamone” is synonymous with brilliant teaching, transformative leadership and passion for nurturing entrepreneurship. His effect on thousands of students cannot be quantified, but the new Rudolph P. Lamone Chair for Entrepreneurial Leadership adds to his legacy.

On April 19, the University of Maryland community joined at the Robert H. Smith School of Business to celebrate the man known to thousands of friends and fans as “Rudy” and to announce the new professorship in his name.

Rudy served as dean of the Smith School from 1973 to 1992. In 1986, he partnered with Michael D. Dingman to establish an entrepreneurial support center for the business school, and the Dingman Center for Entrepreneurship was born.

Throughout the evening, attendees – including alumni from every decade, current and previous faculty/administrators, and students – waited patiently for a chance to greet the man of honor, who was as charming, funny and eloquent as ever and greeted guests by name. Everyone knows Rudy, but how can Rudy know everyone? He just does.

“He sees the potential in other people,” Carly Fiorina MBA ’80, former CEO of Hewlett-Packard, told the crowd, “Rudy Lamone changed my life.” —AA

Move Aside, Ravens and Orioles: The Terps are coming to Baltimore. On June 6, the Robert H. Smith School of Business launched its Baltimore Alumni Club, building a stronger community in Charm City that is already 8,000 alumni strong. The event at the Legg Mason Tower in Harbor East was hosted by Bob Billig ’88, partner and CPA with McGladrey. Former Terrapins men’s basketball coach and Smith alumnus Gary Williams ’68 was the featured speaker.

Interested in getting involved with the new Baltimore Alumni Club? Send an email to alumni@rhsmith.umd.edu.

Dean Anand to Step Down in July 2013

Smith School Dean G. “Anand” Anandalingam has announced he will complete his term as dean of the school but not pursue a second term. He will step down in July 2013 at the end of his five-year appointment.

During his tenure, Dean Anand led the Smith School to be more engaged with the corporate world, and focused on innovation, entrepreneurship and the creation of global social value using business principles. His leadership has positioned the Smith School as the home for influential thought leaders within the worlds of policy and business, especially in the areas of financial and health policy. He has also led the transformation of the undergraduate and MBA curriculum to incorporate experiential learning in partnership with private sector and non-profit companies. He was instrumental in launching new specialized master’s degrees in business that have quickly grown popular.

Under his stewardship, the Smith School reached more than $120 million in donor gifts.

“I have much to do in the final year of my term,” says Dean Anand. “First and foremost, my goal is to contribute to the growth and prosperity of the Smith School, and to enhance the educational mission of the school so that our students are successful.”

Dean Anand reflected on the years he has served as dean: “It has been a tumultuous time to be a dean and we certainly weathered many financial hardships together,” he says. “I am very proud of the ways the Smith community came together to move forward and pursue our vision despite the obstacles.”

The search for Dean Anand’s successor will begin this fall. A search committee will be appointed by the provost. Alumni will have the opportunity to be a part of the process. —JS
Microfinance in Action

A laptop, several mannequins and the know-how of 11 visiting Smith School students were all it took to help Roxana, a small entrepreneur in Nicaragua, expand her in-home clothing business.

Last January, Smith undergraduates took their skills on the road to give Nicaraguan entrepreneurs a financial leg up. Students helped expand a clothing business, regulate a small microfinance company, improve a taxi business and expand a grocery store.

“The study abroad trip to Nicaragua was probably the most exhilarating 10 days I’ve ever had,” said Dipti Badrinath ’12, a finance and supply chain major in the Social Innovation Fellows program. “From learning about microfinance to ziplining though the largest canopy in Central America to volunteering with Nicaraguan families, it was a great trip.”

Designed to help students learn how microfinancing works in the environment of a developing economy, the course was planned and developed by Sue White, Distinguished Tyser Teaching Fellow; Lily Griner, the university’s business librarian; and Pat Herron, the university’s librarian for Spanish, Latin American and Latino/a Studies. Business librarian Zaida Diaz assisted with course implementation.

“The course planning, development and implementation was successful due in large part to Jane Mirandette, the in-country facilitator and founder of the first lending library in Nicaragua and Biblioteca Movil (bookmobile),” White said.

Students split into groups and assigned a specific entrepreneur to assist. Students from the business school at the Universidad Americana worked side-by-side with Smith students and helped with any language barriers.

“The students were making a difference in someone’s life, a family’s life,” White said. “They gained real-life understanding of microfinance — how a small amount of money made a deep impact on people. Several of the entrepreneurs very emotionally told the students that this experience changed their lives and made their dreams come true.”

One of those families was Roxana’s. She bought clothes from the capital city and sold them door-to-door in her neighborhood, while also working full-time at a hotel. She wanted her customers to come to her instead of offering an on-the-go experience. The problem was, she wasn’t sure where to begin and didn’t have the money to create a shop.

Badrinath and the team of students were assigned to help Roxana. They raised money before they even left the U.S. by organizing a book drive at McKeldin Library and soliciting donations from friends and family. They even received free laptops to give the entrepreneurs.

With the money they raised, students bought mannequins for Roxana’s store. Then they created a business plan for her and set up the store in her home—all over the course of the 11-day trip.

“The study abroad trip to Nicaragua was probably the most exhilarating 10 days I’ve ever had. From learning about microfinance to ziplining though the largest canopy in Central America to volunteering with Nicaraguan families, it was a great trip.”

—DIPTI BADRINATH ’12

The other students had similar stories: One entrepreneur was looking to build a website for his taxicab service and learn general computer skills. Another started a small microfinance company but was having a hard time running it on his own. A third wanted to expand his grocery store but didn’t have the manpower to do it.

Smith students wrote business plans to help the entrepreneurs solve their unique problems and taught them the skills they would need to improve their businesses.

The students also acted as consultants for Opportunity International, a nonprofit organization that provides small business loans and other similar services to people living in poverty in the developing world.

They connected with their Nicaraguan counterparts before the trip using Skype and email. “We’re still in touch with a few of the students. It was great having them there as translators,” Badrinath said. “They were also business school students, but they had a more realistic expectation of how it was in Nicaragua.”

The study abroad trip was selected as a finalist for the New Study Abroad Program Innovation Award from GoAbroad.com, an online resource committed to providing databases for international education and alternative travel.

That is what interested Badrinath in the
Several of the entrepreneurs very emotionally told the students that this experience changed their lives and made their dreams come true.

— Sue White, Distinguished Tyser Teaching Fellow

study abroad trip to Nicaragua in the first place: “I’d been to Dubai but I wanted to do something more hands-on. I’d also never been to Central America and am really interested in social entrepreneurship — it was an easy sell.”

The trip wasn’t all work. The group visited a volcano, toured several cities, went zip lining, visited the beaches, experienced the nightlife, ate a lot of new foods, and met the people of Nicaragua. In fact, that was Badrinath’s favorite part of the trip.

“We got to experience Nicaragua as a country, instead of being a tourist and visiting the popular spots. Because of that, we got to interact with the people. And they were the friendliest people. The kids were adorable,” she said. “We had the opportunity to go to schools with the Biblioteca Movil and lend out books to the students. It was a once-in-a lifetime experience.”

The most important thing she learned in Central America: “People are the same everywhere. It was great working with entrepreneurs in Nicaragua because they wanted the same things as entrepreneurs in America. Everything is exactly the same no matter how well off they are or how well they are doing — the goals are the same.”

— JS
“One can argue that it is in OPEC’s interest to keep the price of gasoline below $5 a gallon. The technology is available, increased demand for the technology would make it more accessible. One would expect OPEC to act accordingly.”

– Assistant Professor of Management RAFAEL CORREDOIRA, in a Baltimore Sun op/ed, April 19, 2012.

“Un fortunately, the Europeans are confusing symbols with practicality. The euro is a symbol of a united Europe — but it’s a symbol of a united Europe that really doesn’t exist.”

– Professor of International Business PETER MORICI, on why the euro hinders economic recovery in Greece and Spain, on “The Osgood File,” June 16, 2012.

“What I think is going on is you have a lot of bullishness from retail investors, people who use Facebook, and there’s a lot of those investors creating a lot of buying pressure… But professionals who were looking at the numbers behind Facebook had a lot more doubts, and that is cooling the issue quite a bit.”

– Associate Professor of Finance GERARD HOBERG, on the disappointing investor response to Facebook’s IPO, in Agence France-Presse, May 18, 2012.

“This time, we have a better understanding of China’s corporate culture, which is helping us set clear expectations for the participants in our executive education programs.”

– DEAN G. “ANAND” ANANDALINGAM, referring to Smith’s Spring 2012 EMBA in China relaunch, in BizEd magazine, May/June 2012.

“I would not feel as confident of the banks going forward under the stress-test scenario the Fed has put forward.”


“Much is made about the role information technology can play in reducing costs and improving quality. How about using some of these tools to alleviate the waiting game and help patients feel more in control of their time?”


“If we researched every single purchase, we wouldn’t have time to make any purchases.”

CSC’s global footprint in both private and public sectors, combined with our service to just about every U.S. government agency, gives us the unique ability to address the nation’s biggest challenges.

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Smith Photo Contest Winners

Thanks to all who participated in the Smith School’s first photo contest! With more than 500 spectacular entries, the judges — a group consisting of faculty, staff, students and alumni from the Smith School and the university — had a tough time choosing the very best. Congratulations to all 2012 contest winners!

Coming back for Homecoming? Visit the photo gallery on the first floor of Van Munching Hall, where these and many other great photos taken by the Smith community will be displayed.

Clockwise from top left: CAMPUS | Kiati Ploksawasdi ’98, MBA ’10, crowds at the UMD/WVU game; LANDSCAPE | Yohsuke Ikebuchi MBA ’12, Empire State Building PORTRAIT | Oki Daniar ’13, son, Aldo, and wife, Indah; GLOBAL | John Hammond ’12, Sagarmatha National Park, Nepal; ARCHITECTURAL | Brian Vandergrift Jr. ’13, McKeldin Library; ACTION | Megan Burkhart, MBA candidate 2013, Kivukoni Fish Market in Dar es Salaam, Tanzania.
Another Repatriation Tax Holiday?

Election 2012 voters beware…

of candidates’ and pundits’ calls for a second repatriation tax holiday to coax U.S. firms to reinvest their foreign earnings in domestic operations.

The prospect of another repatriation tax holiday might seem enticing. The initial American Jobs Creation Act (ACJA) of 2004 cut the tax rate from 35 to 5 percent, prompting companies to bring home $312 billion. But now, amid an escalating $14 trillion national debt, many of the same companies are among those keeping about $3 trillion on ice — more than $1 billion of it in foreign subsidiaries — to delay paying federal taxes. The United States levies the highest corporate income tax rate among industrial nations and is on average 15 percentage points higher than that of U.S. trading partners.

These factors underscore a case for avoiding, or at least restructuring, a second such holiday, according to new research by Mike Faulkender, associate professor of finance. His findings show the AJCA-intended reinvestment was marginal and primarily from smaller companies less able to otherwise raise capital (via bond markets, equity holders, etc.). Conversely, big firms, such as Pfizer, which hauled home $43 billion, applied very little of its repatriated funds to new investment.

Another tax holiday would be counter-productive. “The AJCA explicitly called for a one-time event,” Faulkender says. “A repeat would incentivize companies to plan for periodic holidays and invest even more in foreign subsidiaries to maximize the benefit.”

“Because capital is inherently fungible, government is limited in dictating whether these firms reinvest in U.S. operations and add jobs,” he adds. “If we bring back the holiday, it would make sense to limit the deduction to $1 billion to $2 billion per company in order to avoid giving the likes of Pfizer a tax break with zero incentive for domestic investment afterward.”

“To more directly recoup revenue, we could flip the 35-to-15-percent corporate-to-personal income tax ratio, as individuals are relatively less likely to move abroad.”

Larger, U.S.-based transnational companies tend to jump at favorable investment opportunities, domestic or abroad, and do not need money sitting in their foreign subsidiaries to act.

“The source of the problem circles back to the tax rate,” says Faulkender. “As a country, we need to acknowledge we do not have a closed economy. Business and capital are increasingly fluid regardless of borders. So why not address this core of the issue by changing the tax structure?”

Reform ideas from both sides of the aisle fall short, he adds. A Republican-proposed territorial tax would eliminate any repatriation tax, but provide no incentive for reinvesting domestically. The Obama administration-endorsed “global minimum tax,” based on immediately taxing revenue in the foreign subsidiary on top of the host government tax, risks encouraging large firms to pull out of the country. “Imagine Google headquarters and its U.S. jobs moving to Ireland, with its 10 percent tax rate.”

Faulkender says the most effective and efficient approach lies in a competitive corporate tax rate. That would offset potential lost revenue by creating incentives for long-term domestic investment. It would also bolster a sparse tax base. “To more directly recoup revenue, we could flip the 35-to-15-percent corporate-to-personal income tax ratio, as individuals are relatively less likely to move abroad.”

But the latter idea is unpalatable for politicians, he concedes. “It’s much easier to target and demonize an Exxon Mobil instead of its individual shareholders, illustrating how political leadership on this issue gets in the way of sound economic policy.”

–GM
When Your Emotional IQ Matters

Emotional intelligence (EI) doesn’t generally translate to better job performance, according to a new study by Myeong-gu Seo, associate professor of management and organization. Seo had often wondered if there was any real, provable connection between a person’s ability to manage their feelings and their success on the job.

But Seo did find one particular context in which having high emotional intelligence does make a big difference: when participants were in jobs with high managerial work demands, requiring the management of diverse people, functions and lines of business, with multiple stakeholders and competing agendas.

The stress and intense emotions involved in this kind of work environment naturally trigger emotional reactions. High emotional intelligence lets team leaders facilitate, understand and manage their own and others’ emotions.

“With that being in a diverse environment may prime people with high emotional intelligence to use it because they know that differences can lead to misunderstanding,” says Seo. “That awareness, and then the way they used it, made them more effective leaders on their teams.”

Seo, with co-authors Paul Tesluk of the State University of New York at Buffalo, and Crystal Farh, a PhD student at Smith, recruited 346 full-time professionals and early-career managers from the Smith School’s part-time MBA program to take part in the study.

People who can perceive, understand and interpret emotional cues can use that information to guide and inform their decision making, Seo says. A manager with high EI might notice when an employee is under stress and step forward to reassign tasks or reset priorities, for example.

In a related study, teams of MBA students evaluated each other’s teamwork, including the relative value of each person’s contribution to the team and whether he or she was perceived as a leader within the group. Seo found a strong correlation between a person’s emotional intelligence and the way other people perceived his or her leadership. Students with high EI were seen as contributing more to the group. This effect was even stronger in diverse teams — those with differences in race, ethnicity or age.

Emotional intelligence is a measure of your emotion-related abilities. How’s your E-IQ?

CAN YOU RECOGNIZE YOUR OWN EMOTIONS? Can you perceive others’ emotions? If you don’t realize that you’re angry, sad or upset — or that your employees are angry, sad or upset — then you can’t effectively address it.

DO YOU UNDERSTAND WHAT IS TRIGGERING THE EMOTION? This is closely related to your ability to use language and “emotion words” as well as your critical thinking and analytical skills.

CAN YOU MANAGE EMOTIONAL INFORMATION? Once you are aware of what someone is feeling and what has triggered that feeling, can you strategically use that information to successfully navigate emotionally charged or stressful situations?
Good, Better, Best
Why a bad online review is better than none at all

When scouring online reviews of products, avoid any with no reviews. They are likely low quality because consumers with bad experiences tend to refrain from posting a review. That’s a finding of recent research from Ritu Agarwal, Robert H. Smith Dean’s Chair Professor of Information Systems and director of the Center for Health Information and Decision Systems, and Guodong “Gordon” Gao, assistant professor in the Department of Decision, Operations and Information Technologies.

The researchers, who call the bias the “sound of silence” effect, isolated it by comparing online reviews of physicians from RateMDs.com with data from an offline patient survey. In other words, they put actual quality side by side and discovered that doctors who rated low in the patient survey were less likely to be rated online.

Agarwal and Gao also found that online ratings skewed excessively high or low because of what they call the hyperbole effect: the likelihood of patients who have extreme experiences to rate online, and the tendency of consumers who are overwhelmingly happy or upset to exaggerate their experiences.

“The medical community is so worried that ratings websites will become a channel for disgruntled patients to vent and ruin their reputations, but we find just the opposite,” Gao said. “It’s more likely that patients are recommending their doctors rather than ‘naming and shaming.’ Hopefully our findings will alleviate doctors’ concerns.”

The findings have broad implications for all types of word-of-mouth ratings and online reviews (think of Amazon product reviews, Yelp restaurant reviews, Hotels.com ratings, etc.). The research shows that, even fraught with biases, online reviews can help consumers make better decisions. –CH

A Facebook-like online platform to improve outcomes for sick babies by better engaging parents in their care won a new entrepreneurship contest by the Smith School’s Center for Health Information and Decision Systems (CHIDS) to showcase innovative solutions in health care IT.

The platform, developed by a team of Stanford University students, was one of eight finalists reviewed by a panel of judges from the health care industry, government and academia on April 20 at the Ronald Reagan Building and International Trade Center in Washington, D.C. The winning team’s $20,000 prize includes a potential venture with challenge co-sponsor Johnson & Johnson Services Inc.

“We drew teams from across the country that worked very hard and energetically on the incredibly important problems of fixing health care and reducing health care costs,” Ritu Agarwal, Robert H. Smith Chair in Information Systems and director of CHIDS, said. “They spent a lot of time developing new ideas and figuring out whether these are monetizable solutions. We believe entrepreneurship and innovation from young minds is the way forward.” –GM

Hidden Risks in Emerging Markets

Entering any new market can be a risky proposition for a company, but political prowess and mastery of new analytic tools can improve your chances of success, says Bennet Zelner, associate professor in the logistics, business and public policy department.

Companies should master the art of political spin, says Zelner. And he’s not talking about Washington’s brand of K Street lobbying. Zelner advises having an ear to the ground in new markets, using data-mining technology to monitor news and conversations online and in the media. Combined with natural language parsing software — which can code sentences for negative and positive connotations — companies can learn a lot about a region’s social norms and values and use that information to assess risk.

“You can use this data to identify the really critical stakeholders and develop an influence strategy,” he says.

Zelner says keeping tabs also helps when crafting a communications strategy and creating a long-term presence.

“If you understand enough about the place that you’re entering, you can probably engage in a more effective dialogue with local constituencies. In being a good citizen, you’re also much more likely to have a sustainable presence in the country.” –CH
MISSING PASSENGERS SIGNAL LEAKY OPEN SKIES PACT

Martin Dresner frequently visits family and friends in Canada. A Washington-to-Toronto flight would have him in his native city in about 90 minutes. Instead, the Smith professor and chair of logistics, business and public policy sometimes lands in Buffalo and drives a rental car to and from his destination, adding four-plus hours to his roundtrip travel time.

“Many others do the same,” he says.

Those “others” recently amounted to 4.7 million travelers over a year, according to the U.S. Department of Transportation. This driving group is diverting to U.S. airports near the Canadian border to save an average of 28 percent of the cost of Canada-based arrivals and departures.

That translated in 2008 to $1.3 billion in missed revenue for airlines using Canadian airports and about $480 million saved by passengers used ground transportation to and from the U.S. airports, according to research by Dresner and Smith co-authors Robert Windle, professor of economics, and doctoral student Omar Sherif Elwakil.

Transborder fares are two to three times higher than those for flights between U.S. cities despite the 2005 U.S.-Canada “Open Skies” agreement. The cause appears to be the lack of low-cost carriers operating on transborder routes, and possibly collusion, according to Elwakil.

More open competition would help right the problem: “Policymakers should revisit the current U.S-Canada Open Skies treaty to re-evaluate the antitrust immunity the carriers enjoy and promote low-cost carrier participation in this market,” Elwakil says.

In the meantime, those transborder carriers appear content to let smaller airlines serve the lower end of the market in inflated volume from the U.S. border airports. “And these smaller airlines appear content to serve the Canadian market in this de facto way, even if it inconveniences the customers,” said Windle. –GM

Prof. Lemma Senbet Recognized for Scholarly, Civic Contributions

PROFESSOR LEMMA W. SENBET, the William E. Mayer Chair Professor of Finance and founding director of the Center for Financial Policy at the Smith School, was recently recognized as a distinguished scholar, teacher and role model by the Society of Ethiopians Established in Diaspora. The nonprofit honored Senbet at an event in Washington on May 27.

Senbet was most touched by the recognition of his community service. For the past several years, he has been funding a library, youth educational initiatives and a college scholarship program in the village where he was born.

“I consider myself to be very fortunate to be in the position I am today,” he said. “I come from the region of the world that is very disadvantaged, and as I advance in my career and in my life, I feel a sense of obligation to give back. I want to help nurture the potential in others.”

Senbet has contributed to policy work with the World Bank, the International Monetary Fund and the United Nations. He also lends his expertise to projects and policy outreach in Ethiopia and the rest of Africa with a variety of institutions, including the African Union.

“My professional achievements are something beyond my dreams,” he said. –CH

“I come from the region of the world that is very disadvantaged, and as I advance in my career and in my life, I feel a sense of obligation to give back. I want to help nurture the potential in others.”
A Day in the Life of a CEO at Smith

For several years, the Smith School has hosted CEOs from companies around the world during its popular CEO@Smith presentations. The evening events are only part of a CEO’s experience at Smith — each CEO has the opportunity to customize his or her time at the university, whether through a tour of the campus or a day of fun with students.

Campus Tours
Before they spill all their secrets about how they made it to the top, CEOs visiting College Park often take a tour of the university’s beautiful campus.

Fireside Chats
CEOs have the option of participating in a more intimate talk with a smaller group of students. This takes place in Van Munching Hall before the CEO@Smith presentation.

Picnics
Some CEOs just want to have fun when they’re visiting Smith. Companies can sponsor picnics for Smith students, giving them a chance to network informally with the firm’s employees, and giving the CEO an opportunity to relax before the evening event.

Dinners
The CEO’s schedule permitting, each CEO@Smith presentation ends with a private dinner with the CEO, members of the company, and faculty and staff at the Smith School.

If your CEO would like to participate in the 2012-13 CEO@Smith Speaker Series, contact Amy Taylor at 301.405.9967
Welcome the World Changers

Today’s social innovators combine all the traits of a successful entrepreneur — ambition, creativity, persistence, business know-how, a strong stomach for risk — with the unshakeable conviction that they can change the world. And you know what? THEY ARE.
World Changers
Social entrepreneurs are relatively new to the business landscape. If you’re not familiar with the term, here’s a quick rundown: Social entrepreneurs operate on the large scale, using market-based approaches to create social benefits, like producing renewable energy or eliminating homelessness. They aim to be profitable, but profit isn’t their sole motivator.

A thriving ecosystem of public, private and government support services is growing up around them. And many believe that the men and women working in this space — call it a “fourth sector,” as Harvard does — will reshape the way we think of capitalism. And in this new space, Smith alumni are leading the way.

**Show Me the Money**

Jigar Shah MBA ‘01 is in that small category of extraordinary thinkers. He founded SunEdison, the nation’s largest and most successful provider of solar energy, and he created its innovative business model.

At the time, most companies weren’t interested in investing in solar equipment because they wouldn’t see returns for many years. So SunEdison installs the arrays for free. Companies don’t have to invest in the equipment to generate solar power; they can just purchase the power itself.

Customers agree to a set price for at least 10 years. SunEdison gets a steady cash flow, and its customer gets energy prices that are locked in and reliable. This arrangement quickly won a following among some big corporations, including Staples, Whole Foods, IKEA, and Kohls. “People aren’t doing solar because they’re angels. They’re doing it because they hate their utility company,” Shah says cheerfully.

Shah had been fascinated with solar energy since he was a teenager. He pursued a degree in mechanical engineering because no one had any better ideas on how he could get into the solar business. He wrote the business plan for SunEdison as an assignment for one of his MBA classes.

After graduation, he joined BP Solar as an analyst and pitched the idea for SunEdison to his bosses, but it didn’t catch their interest. In September 2003 he quit his job, took out a loan on his house and started SunEdison.

While environmentalists support solar power because it can supply clean, green, quiet, virtually limitless electricity, Shah freely admits that he was in it for the money. “The term social entrepreneur is a misnomer. I just call myself an entrepreneur,” says Shah. “We all have to live by the rules of capitalism. Can you make money by doing things that are in the best interest of society? Yes, you can. There are technologies that have multiple positive externalities and are also low-risk. Businesses that don’t think of the negative externalities face significant headwinds now.”

In 2009 Shah sold SunEdison and spent three years as CEO of Carbon War Room, a think tank started by billionaire Richard Branson to fund market-driven solutions to climate change. Today he is looking for the next big thing.

In his view, the world’s big problems represent a big business opportunity. “I’ve made more money in this sector than I could have at BP or at a consulting firm,” says Shah. “I think this is where the next crop of billionaires will come from.”
“People aren’t doing solar because they’re angels. They’re doing it because they hate their utility company.”

JIGAR SHAH MBA ’01
"Think Unreasonable Thoughts."

It isn’t easy to make a profit — hopefully, a significant profit — while addressing a pressing societal problem.

Nick Singer ’08 hopes to tackle one of the most serious problems hindering development in Africa: mobility. In rural areas, most roads are nearly impassable by car. Not that most rural Africans can afford even the most stripped-down vehicle. The most common method of transport is a three-wheeled, motorized rickshaw.

Mobius Motors has designed a tough, bare-bones car for East Africa’s rough roads and rural consumers — one with a heavy-duty suspension and tough tubular steel frame, and without costly extras like glass windows or air conditioning. Mobius vehicles will cost $6,000 each and “can go anywhere,” says Singer.

He manages the complex global supply chain for the company, which relies on car parts from all over the world. Long-term, he says, “we’d like to use as many local products as we can. But braking or steering systems, anything with complex moving parts or that is safety-critical — right now, we have to source globally.”

The company has completed two prototypes and expects to produce its first 50 vehicles this year. “This year is about market validation and learning,” says Singer. “We have to put these cars together by hand, and we want to get them in the hands of customers and entrepreneurs on the road to see what they love and where the design needs to be tweaked.”

Increasing the average person’s ability to get around will boost economic development in some big ways. Reliable, affordable cars will help local entrepreneurs get their products to market, improve the delivery of health and education services, and move supplies from place to place more efficiently.

Mobius’ investors are motivated by the social good the company promises, but also by the prospect of a significant return. Mobius is shooting for $2 billion in revenues in 10 years’ time. Singer thinks Mobius is on the right path — and its investors agree.

Singer, a supply chain and marketing major at Smith, never expected to end up in Nairobi, Kenya, where Mobius is headquartered. After graduation he went to work for Deloitte as a consultant on supply chain projects. He enjoyed it, but jumped at a chance to work with an NGO that sent management consultants into the developing world. The work took him to Swaziland for a time, and when he returned to the U.S., he searched for another global, socially responsible company to use his talents.

As Mobius’ supply-chain senior associate, Singer traveled about 50,000 miles across four continents over a recent three-month period, visiting potential global suppliers as well as small enterprises in Kenya. He spends a lot of time dealing with the intricacies of government regulations and import/export laws in a country the World Bank ranks among the worst for ease of trading goods across borders.

Still, the career rewards can be substantial. “How many other 26-year-olds are running a global automotive supply chain? In this field, you get to do a lot more a lot earlier in your career. Nairobi in particular is full of social entrepreneurs. Everywhere you go there are people who think unreasonable thoughts.” NICK SINGER ’08
More a lot earlier in your career. Nairobi in particular is full of social entrepreneurs. Everywhere you go there are people who think unreasonable thoughts. “I want to leave my legacy,” says Singer. “If Mobius achieves our goals to revolutionize transportation in developing countries while generating world-class manufacturing capabilities in East Africa, then this region would become globally competitive across numerous industries. No one has done that before. That’s a great thing to be part of.”

Smart Schools
Mobility is a serious problem in Africa. In America, one of the most intractable social problems is K-12 education. Sarah Campbell MBA ’10 originally wanted to work in education policy, but a stint in the classroom with Teach for America convinced her that she had a better chance to effect change by dealing directly with students.

While earning her executive MBA from Smith, Campbell met Susan Schaeffler, founder of the first Knowledge Is Power Program (KIPP) public charter school in Washington, D.C., and joined the educational startup as its first fifth-grade math teacher. In short order she became vice principal, then chief academic officer of KIPP’s regional office, overseeing four schools. Today she is senior director of national-local leadership development with KIPP Foundation, training KIPP leaders and other educators from around the country in ways to use KIPP principles in their own schools and districts.

Melissa Carrier, assistant dean for Social Value Creation, spoke to Smith Business magazine.

Q: Why should businesses care about social value creation?
I think most companies realize that we are in unchartered territory. The world has become inextricably connected, increasingly complex and even unpredictable in many ways. Over the next several decades, we will see an evolution from pure private-sector market capitalism to a much deeper and broader role for business. Society demands it. Creating long-term value for the firm and its shareholders demands it. Firms are moving away from the “do no harm” compliance and risk management perspective to “How can we create new revenue?” Then the opportunity for simultaneous creation of social, environmental and economic benefit becomes strategic, and it impacts every business decision you make. The activities that were viewed as simply “doing good” can actually result in revenue creation and competitive advantage over time. Research shows that firms who do this well perform better and have more satisfied employees than those who don’t.

But let’s be clear that this is not about a pretty corporate social responsibility report. And it’s not easy. This is about a mindset, a shift in thinking that permeates the organization, drives innovation, engages your workforce, and becomes everyone’s job to co-create social impact and economic returns, thus giving long-term viability to the organization and the global community in which it operates.
more nimble than the organizations of her classmates.

“My classmates would say, ‘We could never change that in our company because that’s the way it is,’” Campbell says. “I would say, ‘Are you kidding? I’m going to go change that tomorrow.’”

That nimbleness is part of what makes social enterprises more effective than governments in driving societal change. KIPP is obsessed with its organizational report card. It zealously tracks data to find best practices that can be replicated across all schools, and to swiftly change practices that aren’t making an impact. Few if any government institutions can replicate that responsiveness.

Of the statistics KIPP tracks, Campbell is most proud that 100 percent of the fifth graders she taught went on to graduate from high school — double the rate of other D.C. fifth-graders — and 80 percent of them went on to college, 10 times the rate in the city’s public schools.

“‘In a traditional business, the No. 1 driver is profit. For us, the No. 1 driver is results. We measure our organization’s success by the success of our kids,’” says Campbell. “‘We track kids from middle school through college graduation. College graduation is our indicator of success, and we can see that our work pays off in better graduation rates,’” Campbell says. “‘Traditional businesses are totally driven by the bottom line. Well, so am I.’

Smarter Cities
That sense of mission, of making a big difference to a big problem, is why people become social entrepreneurs, says Lynn Reyes MBA ’99. “It’s not because things are easy, but because you like to crack tough nuts.”

Reyes is practicing social innovation from inside one of the largest, most corporate environments out there: IBM. After a stint at the World Bank, she went to work as a consultant in IBM’s strategy group focusing on economic development, helping governments of developing countries with fiscal management. She then shifted to the IBM Institute for Business Value, one of the nation’s largest think tanks, where she was the global government lead. This summer she moved to Dubai with her family to work on IBM’s Smarter Cities business development initiative in the Middle East and Africa.

“We’re looking at how information across systems can be shared and put to work in new, generative ways,” says Reyes. “For example, there’s terrible traffic in
“IBM realizes that if we’re going to see the benefits of change, then part of that is making the planet smarter through information technology. We want to help cities deal with the rapid pace of urbanization.” LYNN REYES ’99

Social innovation is ingrained in the company’s corporate values, says Reyes. “IBM realizes that if we’re going to see the benefits of societal change, then part of that is making the planet smarter through information, communications and technology. We want to help cities deal with the rapid pace of urbanization.”

Doing Good, But Data-Driven
That may be the biggest difference between today’s social innovators and the do-gooders of yore, says Melissa Carrier, executive director of the Smith School’s Center for Social Value Creation. This crop of social entrepreneurs cares about measurable impact. It is a rigorous, business school approach to social change that weds the best of the corporate world with the best of the not-for-profit, social benefits world.

“Social enterprise is about really leveraging the strengths and assets of the business sector to address unsolved problems in the social sector,” says Carrier. “Addressing these problems through policy, philanthropy or volunteerism has not brought sustained change. These are important tools in addressing certain immediate needs but there is simply not enough philanthropic or government dollars to wipe out hunger, disease, climate change, poverty, and more.”

“But when you impart business principles, get industry competitively engaged, and think big, social entrepreneurs can discover ways to unleash markets that have failed or have been locked up — and that creates significant positive value for the world around us.” -RW
HOW I GOT HERE:

MARC GREENBERG ’93, VICE PRESIDENT OF FINANCE AND STRATEGY, PIXAR ANIMATION STUDIOS

What I do: Am responsible for accounting functions; financial scheduling and resource planning for the films; oversight of Renderman, Pixar’s software subsidiary; and finance and operations for an ancillary studio in Vancouver that produces short films. Provide guidance on long-term strategy, such as where to make technology investments, how many projects to have in development and how projects are staffed.

Education: Accounting. Gave campus tours; was very involved in fraternity and student leadership activities, including Omicron Delta Kappa.

1993: Joined Ernst & Young’s Baltimore office in auditing, working with various industries, including tech companies in the D.C. corridor.

Big break: The Ernst & Young residency program was recruiting for the San Francisco Bay Area. Went to the Walnut Creek, Calif., office. “I was attracted to the entrepreneurial software and technology firms.”

1999: Joined software startup Saba Software as controller.

2002: Joined Pixar. “If you’re going to work in finance, you ought to work for an interesting company. I was initially attracted to the technology aspect, but now I really love the media and entertainment aspect of the company.”

Big challenge: Finding the balance between creative, operational and financial needs. “We’re a director-driven studio. Finance does not drive the ship, but we do want people to make rational, data-driven decisions. Sometimes we have to move a release date or re-do a scene. As a finance person, you know how expensive that is and how many people it will involve. But for Pixar, quality is our best business model, so you may have to explain why it is necessary for the good of the company and the film to incur additional expenses.”

Big rewards: “I love the team and the products. People are incredibly passionate about making great films; it’s an exciting place to be. The environment is nurturing, and it’s like a family.”

Big thrill: “Sitting in the audience and watching people react to our films.”

What I’m proud of: Chairing the board of We Care Services for Children. The organization provides services for children with developmental delays, mental health issues and autism. Greenberg’s wife was an occupational therapist there, and the whole family participates in philanthropy. “It’s an important network of relationships for families of kids with disabilities. There’s support and everyone is sympathetic.”

Big tip: “Listening is one of the most important things you can do as a leader. There are people around you who are excellent at their jobs and they provide key, on-the-ground counsel. Listen to them.” –RW
“If you’re going to work in finance, you ought to work for an interesting company.”

Connect Marc Greenberg ’93 lives with wife Wendy and two children in Walnut Creek, Calif., where they spend time hiking, biking and enjoying the outdoors. His parents and sister are also proud Terps. Reconnect through SmithConnector.
Far Eastern Shore Winery

Tien-Seng Chiu MB A ’10 and his wife Tara had been fermenting wine for years, giving their home brew as gifts to family and friends. At their wedding, they served their own wine to bring a personal touch and save money.

“I had guests at the wedding coming up to me and saying, ‘I don’t even like wine and I like your wine,’” Tien-Seng Chiu says. “I thought they were being nice at first, but when friends of friends came calling for our wine, I knew we had a good thing going.”

Maryland law states that households may make only 200 gallons of wine per year, so they had to make a decision: Abandon the wine business, or expand to meet the growing demand. The Chius applied for a license, and Far Eastern Shore Winery was born.

Rather than produce typical wines such as rieslings, merlots and cabernets, Far Eastern Shore Winery pairs grapes with other fruits such as white cranberries, peaches, apricots, strawberries, blackberries, blueberries, or pomegranates.

“We did it because there’s a zillion and half Chardonnays already — it’s really hard to compete against California,” Chiu said. “They do it really well.”

Instead of growing grapes, Chiu purchases juices to make his wines, which allows the couple to run their business from their Easton, Md., home. Far Eastern Shore Winery is selling wine in 103 locations across Maryland and participates in about 25 wine festivals. While it isn’t selling online quite yet, the Chius hope to expand to that market in the near future.

With each day bringing new challenges for Chiu, the engineer-turned-entrepreneur says he’s glad to have participated in Smith’s EMBA program.

“It gave me a really good introduction into a lot of the things I use day-to-day in my business,” he says. “The whole program was great. I really I liked the mastery sessions and the executive coaching.”

His wine recommendation: the Autumn Swan Blanc. Made with white cranberry juice and a Pinot Gris base, this wine is good with Thanksgiving dinner and pumpkin pie.

“I thought they were being nice at first, but when friends of friends came calling for our wine, I knew we had a good thing going.”
“Not only is my work making an impact, but oDesk is making an impact on the world.”

Gary Swart '83 wants to change the way you work.

Swart is CEO of oDesk, the world’s largest online workplace. He believes that online work will soon become as commonplace as e-commerce. “The pain of traditional hiring is acute,” he says. “Companies are struggling to find good talent; it’s the single biggest lever they have. Everyone is trying to do more with less, and even if they could afford great talent, they often can’t find it within commuting distance of their office.”

But with online work, it doesn’t matter where the worker — or the office — is located. “The Internet makes it possible for people to find work all over the world, not just within commuting distance,” Swart says. “It also allows companies to hire the best talent in the world, almost instantly. As a result, the online work market has seen explosive growth, and oDesk has been able to lead that growth.”

Swart has always wanted to be out at the edge of the growth curve. When he graduated with his business degree, he went into manufacturing, buying and selling precision metal products. But the industry was shrinking, and the technology sector was clearly booming, so Swart moved to Silicon Valley and took a job with Pure Software (started by Reed Hastings, who went on to create a little company called Netflix).

Pure Software grew quickly and went public in 1995. It eventually became part of IBM through a series of mergers and acquisitions, which, Swart says, changed the company dynamic considerably. “I went from being employee number 30 to employee number 130,000,” he says. “In such a big company, it’s hard to influence the direction the ship is taking. I realized I was happiest in a startup environment.”

He went on to search for the next big thing, and landed at software startup Intellibank. The product was a “really cool idea,” but the company didn’t take off. While raising money for Intellibank, however, Swart came across oDesk. He was smitten with the idea of matching companies to contractors through the Internet.

“Not only is my work making an impact, but oDesk is making an impact on the world,” says Swart. “Workers can get paid what they’re worth in a global economy, and small businesses can have a level playing field with bigger companies by tapping into a global talent pool.”

Swart credits the entrepreneurial spirit and competitive environment at the University of Maryland — particularly at his fraternity — for inspiring his passion for innovation. “There hasn’t been a day or week that I haven’t leveraged something I learned in college,” he says.

Now he is happy to have the opportunity to give back. “I’m excited about helping the Dingman Center,” says Swart. “The mid-Atlantic region should have as strong an entrepreneurial ecosystem as Silicon Valley. I want to help promote and support that.”

GARY SWART ’83 wants to change the way you work.

Swart is CEO of oDesk, the world’s largest online workplace. He believes that online work will soon become as commonplace as e-commerce. “The pain of traditional hiring is acute,” he says. “Companies are struggling to find good talent; it’s the single biggest lever they have. Everyone is trying to do more with less, and even if they could afford great talent, they often can’t find it within commuting distance of their office.”

But with online work, it doesn’t matter where the worker — or the office — is located. “The Internet makes it possible for people to find work all over the world, not just within commuting distance,” Swart says. “It also allows companies to hire the best talent in the world, almost instantly. As a result, the online work market has seen explosive growth, and oDesk has been able to lead that growth.”

Swart has always wanted to be out at the edge of the growth curve. When he graduated with his business degree, he went into manufacturing, buying and selling precision metal products. But the industry was shrinking, and the technology sector was clearly booming, so Swart moved to Silicon Valley and took a job with Pure Software (started by Reed Hastings, who went on to create a little company called Netflix).

Pure Software grew quickly and went public in 1995. It eventually became part of IBM through a series of mergers and acquisitions, which, Swart says, changed the company dynamic considerably. “I went from being employee number 30 to employee number 130,000,” he says. “In such a big company, it’s hard to influence the direction the ship is taking. I realized I was happiest in a startup environment.”

He went on to search for the next big thing, and landed at software startup Intellibank. The product was a “really cool idea,” but the company didn’t take off. While raising money for Intellibank, however, Swart came across oDesk. He was smitten with the idea of matching companies to contractors through the Internet.

“Not only is my work making an impact, but oDesk is making an impact on the world,” says Swart. “Workers can get paid what they’re worth in a global economy, and small businesses can have a level playing field with bigger companies by tapping into a global talent pool.”
Jayne W. Edge MBA ’76 has joined Jenzabar as vice president of marketing. With more than 30 years experience in the higher education industry, Edge has held various positions overseeing strategic planning, business development, professional services, product management, and corporate marketing.

Jack Faer ’78 has joined Iron Mountain Inc. as chief security officer. Faer leads the global security team, responsible for all aspects of Iron Mountain’s corporate security and safety, fraud prevention, information security, crisis management, and disaster recovery programs as well as the vital security interests of customers.

Patrick Fisher ’79 has joined Flightcom Corp. as director of federal programs. Fisher is using his more than three decades of experience providing technology solutions to military and federal agencies to broaden the presence of Flightcom’s wireless team communication solutions.

Robert Waltz ’71 was elected chairman of Woodsboro Bank in Woodsboro, Md.

David Citron ’82 has been elected to the board of directors for the Network for Teaching Entrepreneurship. Citron is a CPA, partner and chief investment officer and principal of WMS Partners LLC. He is serving a three-year term. Prior to joining WMS Partners in 2002, David Citron served as director at Carret and Company and vice president and portfolio manager at Wagner Citron Management Corp.

Lee Jacobs MBA ’87, president of Lescoa Corporation and developer of the Matte For Men skin care line, launched Startup Warfare, a website that’s sole purpose is to simply share critical lessons and experiences that he has learned by building a business from the ground up.

Stephen Kardon ’89 has been named a principal at North Highland Company, an Atlanta-based business consulting firm.

James C. Kokolas ’83 has been elected managing partner of Calibre CPA Group, PLLC. He leads the firm’s 14 partners and more than 80 employees in Washington, D.C., and Chicago.

Michael Madia MBA ’86 has joined RREEF Infrastructure Americas as an operating partner.

Rajeev Mehta ’87 was promoted to group chief executive for Cognizant. He joined Cognizant in 1997 and most recently served as chief operating officer, Global Client Services. Mehta earned his MBA from Carnegie Mellon University.

Claus Pupkin ’84 is CEO of Genie Energy Ltd., a New York Stock Exchange-listed company spun off from IDT Corp. in 2011. Genie Energy is one of the largest competitive retail energy providers in the Northeast.

Jim Bell MBA ’97 was promoted to executive vice president for Coldwater Creek.

Chris Blade ’98 has been promoted from business manager and human resources director to general manager at Post-Bulletin Co. in Rochester, Minn. She has worked at the Post-Bulletin for 11 years and has more than 20 years of accounting management experience. She was also a Russian linguist and intelligence analysis team leader in the U.S. Army.

Debra Bloom ’90 joins Coldwell Banker Residential Brokerage in Ridgewood, N.J., as a sales associate. She is also an advocate for children with food allergies and in 2007 launched SnackSafely.com, which provides resources to accommodate the needs of children living with food allergies.

Dana Chen ’91 was promoted to division general manager for the Dallas division of the Foundation Financial Group.

Laurie Freeeland MBA ’94 has joined the board of MBA Women International as treasurer and finance director. Freeeland is vice president of American Airlines Cargo Revenue, and has held a wide variety of management roles in finance.

Matt Raydo ’97 is president and CEO of Valiant Solutions, a federal government contractor providing IT services and solutions. Raydo, who played on the Terps men’s basketball team, resides with his family in Wake Forest, N.C.

Michael A. Strauss ’98 is director in the audit, accounting and consulting department at Ellin & Tucker, Chartered. He also chairs the audit and accounting technical standards committee.

Debbie-Jo Zarnick ’97 has been promoted to vice president for human resources of the Henry M. Jackson Foundation for the Advancement of Military Medicine Inc. She joined HJF as assistant director of human resources in 2001 and was promoted to director of human resources six years later.

Sidra Berman MBA ’01 has been appointed vice president of international marketing from Commtouch. Berman has more than 15 years of experience in all aspects of software and IT services marketing.

Daniel Bernstein MBA ’04 is lead analyst for health-care real estate stocks at Stifel Nicolaus. He previously served as an associate analyst at Stifel and for a multiln estate real estate developer in Bethesda, Md., and as a financial journalist for Dow Jones Newswires.

Steve Blaziejewski MBA ’05 joins Prudential Real Estate Investors as a principal on the senior housing team. Before joining PREI, Blaziejewski worked for Health Care REIT Inc. where he was vice president of senior housing, and as a vice president with CSH LLC, an affiliate of the Carlyle Group.

Jason Brager ’04 has been appointed general manager of the Sofa Store in Towson, Md. Brager is responsible for all hiring and training, customer service issues, vendor relationships, strategic planning, digital marketing, and website development/maintenance.

Christopher X. Groshko MBA ’05 has been named senior manager of retail banking at SECU. He most recently was senior vice president of retail banking and insurance performance at Union Bankshares Corp.

Karan Gupta MBA ’07 was named director of finance and revenue planning at Roadnet Technologies Inc.

Paul Lang MBA ’06 has been accepted as a member of the American Inns Court of Bucks County, Pa. Lang practices law for Young, Klein & Associates and is the founder of the Bucks County Bankruptcy Law Firm, where he assists financially struggling individuals and families.

Stephen Lehner MBA ’01 has been appointed to the board of directors for Baja Mining.

Patrick Maggitti PhD ’06 was appointed dean of the VSB School of Business. He is an associate professor of strategic management and entrepreneurship and directs the Center for Innovation, Creativity and Entrepreneurship. Prior to entering academia, he spent nearly 15 years in the steel and mining industries.

Robert Malone MBA ’05 has been appointed chief business development officer of Volunteers of America Chesapeake. He is responsible for identifying and managing strategic alliances and collaborations with other nonprofit and corporate partners and leading the expansion of Volunteers of America Chesapeake into additional communities.

Luke J. McCormack MBA ’05 is the new chief information officer of the U.S. Department of Justice. McCormack provides leadership in the purchase, development, and implementation of...
and oversight of the department’s information technology programs and services.

Dan Moss ’03 has joined Avante Mezzanine Partners as a senior associate in the firm’s Los Angeles offices. He worked previously as a senior associate with Amalgamated Capital in New York and as an associate at MetLife Investments.

Shane L. Newell ’05 was recently promoted to vice president at Valuation Research Corp. Newell works in VRC’s portfolio valuation practice in Princeton, N.J. and New York City, focusing on private debt and equity and CLO security valuations. He also recently co-wrote a published article in a professional journal.

Bettina M. Stopford MBA ’09 has been named vice president of line management and division manager of the Intelligence Training and Services Division at Science Applications International Corp. She has also published in the area of all-hazards emergency preparedness and response.

Laurie Trifoso ’08 has been promoted to client services manager and sales at Dream Local Digital. She is based in the Bangor, Maine, offices.

Venu Venugopal MBA ’00 joins Knowet as vice president of product management.

Brett Wilson MBA ’07 has been appointed vice president of products of Commtouch.

‘10s

Amy Anda MBA ’11 was recently named a director at Credence Management Solutions LLC. She joins other Smith alumni at the firm, including CEO Prashant Gaur MBA ’88 and Kathryn Goldsmith MBA ’12.

Johnny Graham ’09, MBA ’12 has been accepted for a Future Faculty Fellowship at Temple University as a doctoral business administration candidate. A jazz-soul artist and musical entrepreneur known on the D.C.-Baltimore music scene, Graham performed in August 2011 at the Kennedy Center. He also has recorded two albums of original songs.

Brad Kirkes ’07, MBA ’10 has been promoted to vice president of Bayhealth Medical Center.

Michelle Lacey ’10 has been appointed major gifts officer for the American Red Cross of the Chesapeake Region.

Lynn A. Norris MBA ’10 has been appointed vice president of Human Resources of Maryland Live! Casino in Hanover, Md. Previously, Norris worked in human resources management with McDonald’s USA for more than 18 years and earned the company’s “Best in Class” award, an honor reserved for the top 5 percent of all McDonald’s corporate employees.

Zachary Chissell ’08 was profiled in The Baltimore Brew for his business, Real Food Farm.

Sharon Smith Donahue ’96 is senior project staff engineer with Stinger Ghaffarian Technologies, overseeing the development of the optical telescope element simulator for the James Webb Space Telescope. The NASA project launching in 2018 will find the first galaxies that formed in the early universe. Prior to joining Stinger Ghaffarian in 2007, Donahue worked 15 years with Orbital Sciences and across other contracts collaborating on NASA’s unmanned scientific spacecraft program.

Demetris Cheatham JD ’06, MBA ’07 has been appointed the first female executive director of the National Bar Association (NBA). Prior to her appointment, Cheatham fulfilled senior management positions within the organization, serving most recently as interim executive director.

Pete Plotas EMBA ’10 launched the Be Great Foundation with his wife Alison in honor of their son Alexander James Plotas. He died on Sept. 21, 2011, at 13 months of age due to respiratory complications from a severe form of immune deficiency after a bone marrow transplant. The charity enables advancements in curative treatments for children with immune deficiency by supporting improvements in bone marrow transplantation, medical equipment and educational programs for parents.

Matthew Ritsko ’12, of NASA’s Goddard Space Flight Center in Greenbelt, Md., was the 2011 winner of the White House SAVE award. He accepted his award from President Obama on Jan. 9, 2012. The Securing Americans’ Value and Efficiency (SAVE) award gives front-line federal workers the chance to submit their ideas on how their agencies can save money and work more efficiently. “Spending time with the president was a unique experience,” said Ritsko, financial manager at NASA Goddard. “President Obama was very welcoming and easy to talk with. It will be a highlight of my career that I will always remember.”

Richard Ruff “Dick” Stanfield ’56, founder and president of Edrich Lumber Inc., died Feb. 15 of heart failure at Northwest Hospital Center in Randallstown, Md., at the age of 77. Born in Baltimore and raised on the family dairy farm in Randallstown, Stanfield began working in 1956 as treasurer of Edrich Farms Inc. and was also treasurer of Edrich Farms Nursery Inc. In 1962, he established Edrich Lumber Inc. one of the largest producers of mulch in the area.

Jeffrey Van Son MBA ’04, died Jun. 15. While at Smith, he and wife Michelle Walker Van Son served as house parents for the Alpha Chi Omega sorority. Van Son donated his brain to the Mayo Clinic for medical research. He is survived by his wife and children Joshua (7), Nicholas (7) and Lillian (5).

Patti Shafer ’75, an environmental management consultant with SRA International, died of lung cancer on March 27, 2012, at the age of 58. She had been with SRA and the Marasco Newton Group. Much of her work involved contracting and consulting with the Environmental Protection Agency. She began her environmental consulting career with the Synectics Group in 1982 and later worked for Weston Solutions. Her specialties included safe drinking water. Survivors include her partner of nine years, Art Achilles of Bethany Beach, Del., and a brother.
Alumni Events

With new alumni clubs launching, Smith Terps have more opportunities than ever to get together for learning, networking and celebrating.

On May 15, the Baltimore Alumni Club visited Camden Yards to watch the Orioles take on the New York Yankees.

Anil Gupta hosted a dinner for alumni and current students in the Smith China EMBA program at a restaurant called South Beauty in Beijing.

Pat Cleveland, former assistant dean of undergraduate studies, hugs Eric Strong ’07 at her going-away celebration on May 3.

Staff in the Office of Undergraduate Studies present Cleveland with a “Cleveland Rocks” shirt made by Ali Von Paris ’12 and her company, Route One Apparel.

The SmithNY Alumni Club presented “How to Start, Grow and Protect Your Business” with Ken Haman, managing director of the Advisory Institute at AllianceBernstein; Laurent Drogin, partner at Tarter Krinsky & Drogin LLP; and Alan Friedman ’82, vice president of CB Richard Ellis. Max Rosenthal ’05, of Tarter, Krinsky and Drogin LLP, hosted the club at his office on June 18.

Cleveland poses with a group of alumni. She served in the Smith School for 14 years.

Anil Gupta hosted a dinner for alumni and current students in the Smith China EMBA program at a restaurant called South Beauty in Beijing.
The Great Debate: What to Wear

Last issue’s cover image — of a Smith School undergraduate student dressed for a job interview — drew a few comments from alumni who felt the image did not portray appropriate office attire. That sparked some discussion in the Smith Business office about generational differences in our sense of what to wear.

What do you wear to job interviews?

Go to the Smith School’s Facebook page and weigh in.

I am writing to register my dismay and disappointment with the cover photo on the above-noted issue. As a Maryland graduate, an attorney and a person who is now in the position to hire, I can assure you I would never hire anyone who did not have sense enough to wear a skirt that didn’t ride up to mid-thigh (on top of bare legs and open-toe shoes). … She may even be smart, but this is the real world and in the real world, NO ONE takes anyone dressed like that seriously.

Loretta M. Murphy

Just curious — Is the picture on the front of Smith Business an example of how a person should or should not dress for an interview?

Kent Moore

On the bottom of page 22 of the Spring 2012 issue of Smith Business is a picture of someone holding a UMD Smith School of Business padfolio. How can I get one? I am an alumna living in Florida and I would really like to have one. Thank you!

Jacqueline M. Johns ’88

Get in touch! Ab Krall lives in Annapolis, Md., with wife Kristen and his three children. He is retired from Accenture but active with Deloitte Consulting. Contact him through Smith Connector.

Send your letters to:
editor@rhsmith.umd.edu.

Letters

Why I Give | Ab Krall ’81 on community and vision

When Albert “Ab” Krall ’81 got his degree, the Smith School was still called the College of Business and Management. Back then, says Krall, there wasn’t a cohesive feel to the b-school. Classes in any of the business disciplines were scattered among buildings across campus. “It was hard to feel like part of a community,” he says.

For Krall, that sense of community came as an alumnus. Krall went to work for Accenture (then Arthur Andersen) after graduation and stayed there for his entire 27-year career. His work focused on the telecommunications marketplace, and he worked for the likes of Verizon, AT&T, BellSouth, and Vodafone and traveled to places as far-flung as Japan and Australia. All that time, Accenture was drawing great graduates from Maryland.

“Maryland alumni at Accenture had a strong sense of community,” says Krall. He enjoyed creating bonds with fellow Terps and looked for ways to get involved with the Smith School, starting with recruiting activities and later joining the dean’s advisory committee. “It was a great opportunity to work on some of the initiatives of the school with people from many different companies who all wanted to see the b-school elevated to a higher status nationally,” says Krall.

As a member of the Smith Advisory Board, Krall gives to the Smith School Annual Fund to support that rise. “If you get involved,” says Krall, “it will definitely spur a desire to support the mission of the school. Take an opportunity to come back and see what’s going on. It might not reflect the experience you had, but if you can play a role in what it’s going to become and help it take the next step, you’ll feel like it’s YOUR Smith School.

Learn more about the Smith School Annual Fund at www.smithschoolannualfund.com.
It’s a concept that’s gone by many different names: “social value” or “corporate social responsibility” or “corporate citizenship.”

This concept — that firms have some kind of obligation to better the communities in which they do business — was at first focused on the triple bottom line of People, Planet and Profit. Over the years our concept of social value creation became more sophisticated, and firms at the leading edge began to consider not just ways they could minimize damage to people or the environment, but ways to create a positive impact among all of their stakeholders.

Today we are seeing a great change in the way we think about the role firms play in the world, as CSR evolves into a concept sometimes called “organizational stewardship.” Business leaders are now thinking about how to use their resources to solve pressing societal problems — not from a sense of altruism, but because each problem also represents an amazing opportunity to create wealth.

Imagine the brightest business-trained minds taking on the problems within K-12 education, or healthcare in the developing world, or clean energy, the way Carbon War Room is taking on climate change. These people aren’t just going to change the world. They are going to make a significant amount of money — for themselves, their companies and the people wise enough to invest in them. I can’t tell you how exciting it is to see Smith entrepreneurs at the forefront of sustainable innovation.

At Smith, we have made it a priority to give students opportunities to experience and create sustainable innovation as part of required fieldwork projects. I believe all business leaders must think in these terms to meet the varied and mutable challenges of a global 21st century economy.

Corporate citizenship encompasses a wide range of activities, and every company exists somewhere on the continuum. Some, like Mobius Motors or SunEdison, are actively working to solve a social problem. Others, like Bob Kashani’s Earth Colors, are focused on producing a great product, but incorporating sustainability as a best practice. Still others simply choose to operate as good neighbors, supporting local nonprofit organizations that benefit their communities.

This issue of *Smith Business* highlighted many of the ways Smith Terps are bringing inventive, responsible, principled leadership to organizations of all types, here and around the globe. I would love to hear what you are doing as well. Visit our Facebook page to share how you and your company are confronting this issue.

“We have made it a priority to give students opportunities to experience and create sustainable innovation as part of required fieldwork projects.”

G. ANANDALINGAM, DEAN
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