WHARTON

MAGAZINE

PUTTING KNOWLEDGE INTO ACTION

Jeff Weiner, W'92
Job Market Visionary

Neel Kashkari, WG'02
The $700 Billion Public Servant

Lindsay Beck
Champion of Cancer Patient Rights

S.A. Ibrahim, WG'78
CEO of Religious Tolerance

Dr. Rajiv Shah, M'02, GrW'05
Administrator of Global Relief

ALSO IN THIS ISSUE:

Special Class Notes Edition 2013

Horsing Around

Alumni "POP" Pubs Coming to a Town Near You

EDITION TWO | SPRING 2013

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KNOWLEDGE FOR ACTION

The 2013 Wharton Global Forums

Issues of regional interest now reach around the world. Wharton's Global Forums are Lifelong Learning events that respond to these challenges by showcasing the topics—and sharing the opportunities—that keep alumni informed. Meet Wharton faculty and senior executives. Network with colleagues, students and alumni. Participate in thought-provoking conversations. Celebrate Wharton's growing international presence.

Lifelong LEARNING

For questions and sponsorship details, please email **buchness@wharton.upenn.edu**, or call **+1.215.898.2523**

The Teton Range, as witnessed in January by the student participants (see inset) of the 2013 Wharton Leadership Venture to Jackson Hole, WY.

DR. CHRIS MAXWELL

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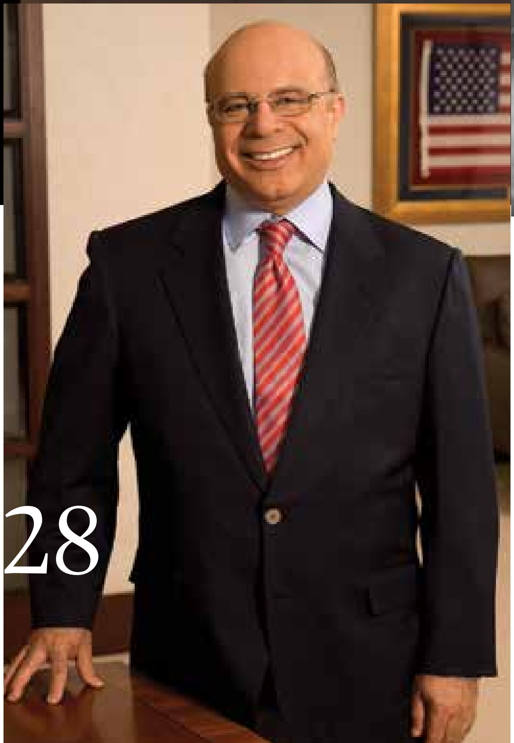

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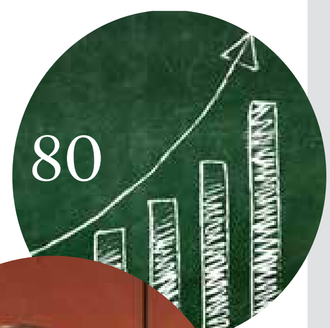

ESSAYS

((ON THE web))

Visit www.whartonmagazine.com for expanded features and new content each week on the Wharton Blog Network.

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EDITOR'S LETTER

Celebrating the Community

We received such a great response from our "Special Class Notes Issue" last year that we tempted fate and tried to repeat that success again in 2013.

What does this mean for you, our valuable and dedicated reader? For starters, it means pages of photographs from your classmates. (They start on P. 55.) Each photo tells a story (in a thousand words or more) of an alum's recent news or accomplishments. They also include a number of nostalgic photos of memories from campus. We often do not have enough room in a standard-issue Class Notes section to fit all of the photos that alumni send in, but we don't want them to go to waste.

We created this second-annual Special Class Notes Issue in part to give thanks to the Class Correspondents and Cohort Representatives who tirelessly support the magazine's efforts. They help create the Class Notes for every issue and keep their classmates engaged with each other and the School.

In the following pages, you'll also find Q&As with five prominent members of the Wharton community, including: a cancer survivor who ran the gauntlet of the health care industry to secure precious fertility treatments for other cancer patients in need, a business leader who tirelessly pursues greater dialogue among the faithful of the world's religions, the policymaker who helped lead the economy out of the deepest depths of the Great Recession, the champion of American global development efforts, and the social media CEO seeking to revolutionize the job market. (These interviews start on P. 24.)

Another important goal of this edition is to spotlight the real-world impact of the Wharton community as a whole—while tying it together with as many faces, names and stories as possible.

Ultimately, this issue reflects how high we hold the individuals of the Wharton network in our esteem and how well regarded you are by each other.

Matthew Brodsky
Editor

A MESSAGE FROM THE DEAN

Smart executives know that the generation of compelling advantage in business is the result of innovation. It can lead to an improved competitive position, increased efficiency and a reinvigorated workforce. Innovation is central to our culture at Wharton. Investments in new technologies and initiatives are keeping the School at the leading edge in learning.

Cisco-Wharton Classroom of the Future

Wharton has partnered with Cisco to become perhaps the first higher education institution to implement Cisco's TelePresence technology in a revolutionary new way. The technology, which has been installed on our campuses in Philadelphia and San Francisco, allows professors to teach one class to students on both coasts, and it enables a greater number of students to participate in a class. Moreover, the quality of the experience is top-notch: Students and faculty on each coast will feel they are learning and interacting in the same physical space.

We thank our partner in this venture, Cisco. Special thanks to John Chambers, Cisco's chairman and CEO; **Inder Sidhu, WG'91,** senior vice president of strategy and planning, Cisco's Worldwide Operations; and the Wharton staff for bringing this exciting new technology to the School.

Coursera

We also are experimenting with massive open online courses (MOOCs). The *New York Times* called 2012 "The Year of the MOOC." Penn was among the four inaugural institutions that were ahead of the curve and joined Coursera early in its development, partnering with the company to offer free online classes taught by our faculty. The number of students in these classes can be significant. Associate Professor **Kevin Werbach**'s six-week Coursera class last fall on the topic of "gamification" had more than 81,000 registrants. (For perspective: *All of Penn* had 24,725 full- and part-time students in the fall 2012 semester.) While Coursera classes are not substitutes for the in-class, for-credit experience, they are a good way to get the high quality of Penn's educational offerings out to a wide audience.

Our participation in Coursera and our partnership with Cisco show that Wharton is using technology in innovative and effective ways to advance the School's mission.

Thomas S. Robertson
Dean and Reliance Professor of
Management and Private Enterprise

((ON THE web))

THE DEAN'S BLOG More from Dean Roberson at whr.tn/FromTheDean.

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UNIVERSITY of PENNSYLVANIA

WHARTON MAGAZINE

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APPAREL

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Debrief

POP-ups

Pub takes a worldwide tour with this new networking phenomenon.

They POPed in Atlanta. Beijing. London. New York. Paris. And São Paulo. In the summer of 2012, MBA students who had migrated from campus to complete internships in cities around the globe took advantage of a new way to leverage the Wharton alumni network, build relationships with fellow students and meet incoming classmates—Pub Outside Penn (POP).

POP is designed to keep the Wharton MBA culture alive in cities worldwide. During the school year, Wharton's rigorous programming is balanced by initiatives that enable students to form bonds and make connections socially, including the popular Thursday evening pastime MBA Pub. True to its name, POP takes that program outside of the Philadelphia region. In 2012, more than 350 WG'13s attended more than 30 events hosted in more than 20 cities globally. Each event was run by students, with some support from Wharton staff and Wharton alumni clubs. Admitted students and recent MBA graduates were also invited to attend POP events.

"POP is a great way for classmates living and interning in one city, or sometimes one region of the world, to stay connected," says second-year Ann Lee, one of two executive directors for alumni affairs within the Wharton Graduate Student Association.

Lee says that the success of the POP experience can be credited to nearly 60 members of the Class of 2013 who volunteered to be POP City Captains and organized the happy hours, dinners and events.

Fellow WG'13er Danu Wicaksana was among these student leaders. He organized two events in Jakarta—and took POP networking to a new level. Because there is not a large student population in Jakarta, Wicaksana established a combined event that included peers from Stanford and Harvard. The resulting evening included about 25 Wharton alumni and students and about 25 individuals from Harvard and Stanford. He held a second event later in the summer that enabled 10 Wharton students and alumni to form deeper relationships.

"Benefits to students were, obviously, being able to meet and connect with Wharton alumni in a less formal way—either for networking or even job searching," he says. "For alumni, it's a venue to identify top talent to be recruited after graduation and also for them to talk about the Wharton experience."

POP events also enabled future Wharton students, particularly those who haven't had the opportunity to visit Philadelphia, to put a face to the School and be welcomed into the Wharton community. In 2012, about 100 incoming MBAs attended POP events.

"The benefits of POP reach far more than the current students," emphasizes Lee. "I will, of course, plan to participate in POP events after I graduate. POP is a great way to stay connected and stay engaged in the Wharton community, even after students leave Wharton."

Variations of POP events have cropped up around the country since the program's inception, and are expected to continue through the summer of 2013 and beyond.

—By Susan McDonnell

RICHARD FAUST

NEWS BRIEFS

Boost for BPC The Wharton School announced a $1.65 million contribution from Ellen Hanson Perlman and **Richard E. Perlman, W'68**, for the Perlman Prize, which will be awarded through the annual Wharton Business Plan Competition managed by Wharton Entrepreneurship. The 2012-2013 Business Plan Competition culminates with the Venture Finals. The Perlman Prize will be awarded to the students whose business plan is judged at the Finals to have the greatest potential. It carries a total winnings purse of $45,000. In addition to sponsoring prize monies, the Perlmans' contribution will also provide key operational support for the Competition.

((ON THE web))

See and hear what it's like to be a BPC Semi-Finalist.

Wharton Students Top the Field Twenty-three teams entered the 13th Annual Wharton MBA Buyout Case Competition. Only one team—the Wharton team—emerged as the winner. Team members included first-year MBA students **Rick Aubrey, Eric Klein, Zack Peckham** and **Mark Turner**. During the event on February 22, teams were tasked with analyzing Staples Inc. for a fictional private equity group. The students had five days to prepare for a 30-minute presentation. Sponsored by the Wharton MBA student Private Equity & Venture Capital Club, the competition is the largest MBA-level leveraged buyout case competition in the world.

AMPed About Wharton Fellows

One of the Aresty Institute's venerable programs broadens its relevance.

This July 14 to 17, the Wharton Fellows program plans to venture to Silicon Valley to discover the "next new thing." October will find Wharton Fellows in South Africa and Ghana. And everywhere it travels, it is apparent that the Wharton Fellows program has a growing vigor, relevance and rigor.

Partly, this results from a slight twist in how the Fellows Program works. Now, alumni from the Advanced Management Program (AMP) can become Fellows if they so choose. The AMP alumni community is 2,400 strong—an infusion of talent to an already elite and close-knit bunch of Fellows.

"Over the years, these guys have developed incredible relationships and friendships," says Fellows founder and academic director **Jerry Wind**.

The way the Fellows keep in touch is also a game-changer. Traditionally, Fellows continue their dialogue outside the three-day master classes by interacting as most professionals do: by phone and email. But Wharton Executive Education is helping with the launch of a robust platform so that the elite group of business leaders can network with each other virtually and at will.

Wharton Fellows remains devoted to providing an MBA-grade educational experience. Wind describes it as a "war college" for senior managers.

The Lauder Professor and director of the SEI Center for Advanced Studies in Management started Wharton Fellows more than 13 years ago to give executives tools to deal with change and transformation in their organizations.

"No one with their original education is prepared to deal with complexity and uncertainty," Wind says.

The Wharton Fellows programming is not off-the-shelf. Each master class offers unique, experiential learning and understanding. To develop courses, Wind and **Dave Heckman**, senior practice leader for senior management programs, seek input from advisory boards and from Fellows themselves about business issues they need to tackle. They pair alumni surveys with external research.

The result: master classes during which participants meet senior executives on the ground and at their plants. These executives can share best practices in their given vertical. Participants come home immediately able to lead their organizations in identifying and acting on growth opportunities in, say, Africa.

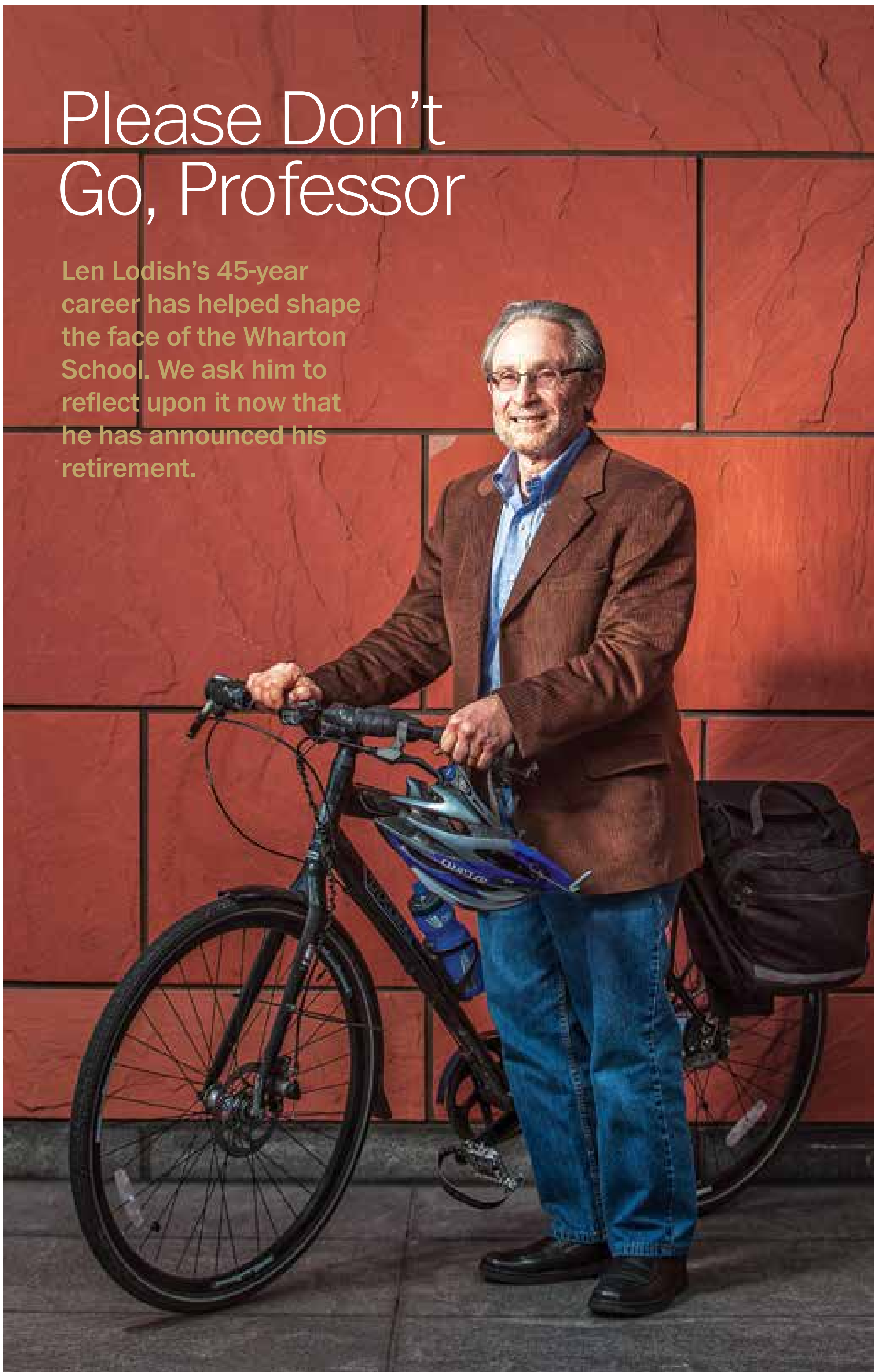
"There's a lot of learning that happens," Heckman says.

Alumni—from Fellows to AMPs to Wharton undergrads to MBAs—play a role in the development of the educational content as well. They not only provide insight into how courses should be designed, they connect Wind and Heckman with the senior executives in the host location. Alumni serve as mentors (every Master Class participant gets a mentor).

"That is how classes are built. Through alumni," Heckman says.

—By Matthew Brodsky

((ON THE web)) Learn more about Wharton Fellows at whr.tn/WhartonFellows.



COLIN LENTON

Innovation. Global presence. Social impact. These are Wharton's three strategic pillars. They also describe the career of Leonard Lodish, the Samuel R. Harrell Professor and co-founder of the Wharton Global Consulting Practicum (GCP).

Lodish joined the Wharton faculty as an assistant marketing professor in 1968, after completing his Ph.D. at MIT's Sloan School of Management. Ten years later—after being promoted to professor of marketing—Lodish was inspired to create the GCP, a cross-functional course that pairs Wharton MBA students with students from international partner institutions. The teams consult for organizations—both nonprofit and for-profit—that wish to leverage a relationship between the partner country and North America.

"This was a way to efficiently create much global value while helping our students to learn to be trusted advisors; work efficiently in global teams; and put to practical use the concepts, methods and paradigms from their Wharton classes," explains Lodish.

In 1997, Lodish initiated, developed and began teaching Wharton's Entrepreneurial Marketing course for MBA students, addressing the increased number of students focused on entrepreneurship at Wharton. It is through this course that Lodish began working with the likes of the founders of Diapers.com and Milo.com.

"That's what I spend a lot of my time with now—startups," Lodish says. "I love that."

Lodish was instrumental in expanding the number of future entrepreneurs who can attend Wharton through his role in the creation of Wharton | *San Francisco*. He served as the inaugural vice dean from 2001 to 2009.

"Our biggest challenge was to create a program that all the stakeholders felt was extremely valuable—not just the students who enrolled, but their sponsoring companies or other firms who might hire our graduates, our 8,000 West Coast alumni and the faculty who flew to teach in San Francisco every weekend," he recalls.

Today, the Wharton | *San Francisco* community numbers more than 1,000 and is plugged into the Bay Area's flourishing tech industry.

When Lodish returned to Philadelphia in 2009, he took the lead on another initiative that changed the Wharton landscape: social impact. Under Lodish's guidance as founding dean, the Wharton Social Impact Initiative (WSII) has encouraged students to evaluate the importance of the social sphere in their future careers—by expanding the number of social impact internships to creating courses such as the successful finance class, Impact Investing.

Lodish was instrumental in expanding the number of future entrepreneurs who can attend Wharton.

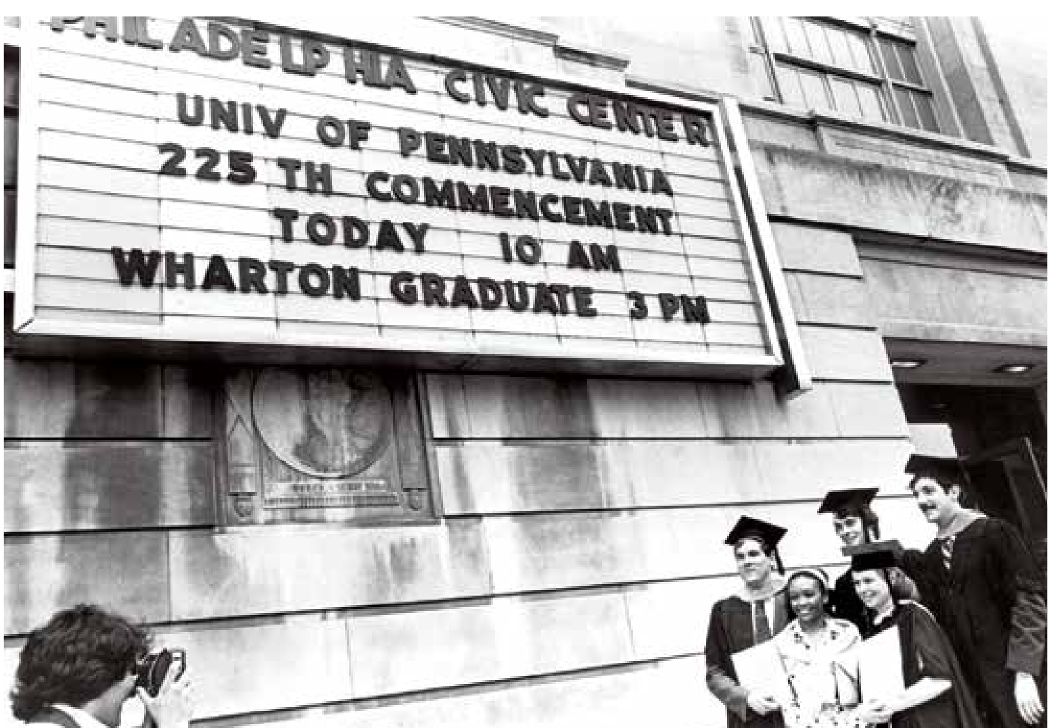
"We have a lot of CEOs that come to Wharton ... and every time I talk to any of these people, they tell me how much time they're spending on social impact-related [issues]," Lodish says.

Lodish has recently handed the WSII reins to new Vice Dean **Katherine Klein**, the Edward H. Bowman Professor of Management.

As he reflects on his career, Lodish is particularly proud of his work with the GCP—and of his research in entrepreneurial marketing, strategic and tactical marketing resource planning, and marketing decision support systems.

"I think we really had an impact on the way managers think about marketing and helped create a lot of value. Creating value is how I get my work satisfaction," he says.

Lodish will have more opportunity to create value. Though officially retiring, he will continue as GCP co-lead and as a student mentor and faculty adviser for the Venture Initiation Program in San Francisco.



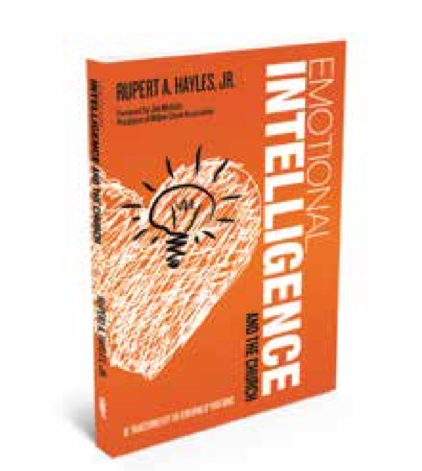
FROM THE VAULT

Save the Best for Last
Proud graduates pose for a Polaroid picture, circa 1981. Do these faces look familiar? Let us know.

WATCH LIST

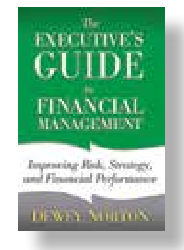
THE WATCH LIST is a new department in which we identify potentially viral new products, services and companies emanating from the Wharton community. In this case, we highlight new books authored by alumni.

BOOKS



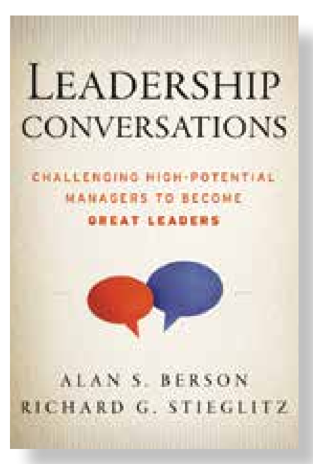
EMOTIONAL INTELLIGENCE
Rupert A. Hayles, WG'94, explores the connection between emotional wellness and spiritual development.

THE MOST IMPORTANT THING ILLUMINATED
Howard Marks, W'67, expands upon his previous book *The Most Important Thing: Uncommon Sense for the Thoughtful Investor.*

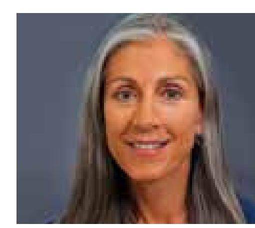


THE EXECUTIVE'S GUIDE TO FINANCIAL MANAGEMENT
Dewey Norton, C'67, G'71, WG'71, writes about the future trends of financial management and how firms can ride them.

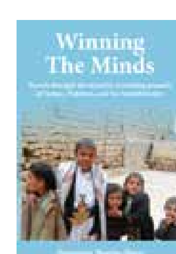
QUANTITATIVE VALUE
What happens when you combine two different methods of investing, value and quantitative? Drexel Professor **Wesley R. Gray, W'02,** and Tobias E. Carlisle explain.



LEADERSHIP CONVERSATIONS
Alan S. Berson, W'75, WG'78, and Richard G. Stieglitz detail four important results of "leadership conversations."



HOW CAN I HELP?
If you are ever in the position to help friends, colleagues and family members through times of trouble, this guide by **Anna Ranieri, WG'80,** and Joe Gurkoff is for you.



WINNING THE MINDS
The subtitle of this book by **Francisco Martin-Rayo, C'06, W'06,** is *Travels Through the Terrorist Recruiting Grounds of Yemen, Pakistan and the Somali border.*

((ON THE web)) Know of a new product, service or company for the next Watch List? Tell us: magazine@wharton.upenn.edu.

An Education in Potential Disaster

New MGMT 611/612 courses launch with a focus on the global economy and innovative learning.

The main attraction of last fall's new MGMT 611/612 courses was an intellectual sparring match between two Hanses—Hans Humes, chairman and CEO of Greylock Capital Management LLC, versus Hans-Olaf Henkel, professor of international management at the University of Mannheim, senior advisor to Bank of America and the previous head of the German Federation of Industries. It occurred on Dec. 7 at the "Wharton School Global Summit: Euro 2013," the culminating event of the new MGMT courses.

The Summit brought about 850 MBA students into Irvine Auditorium to listen to the debate. Some of the students were taking the course in their fall semester. For others, the summit was the opening event of the spring version of the courses.

Reflecting upon the event, **Witold Henisz,** the Deloitte & Touche Professor of Management and co-lead instructor for the course, stresses that no other one-day event on campus—save convocation or graduation—touches that many students and in a meaningful way. The goal of the program is to connect the classroom with the "front pages of the newspaper," Henisz says, and he believes that was largely accomplished in the course's first semester.

"For a big pilot, I was really pleased with it," he says.

MGMT 611 integrates three former management classes. The first major part of the new course examines issues central to the competitive position of an enterprise. The second part emphasizes the social elements of motivation and leadership. The third part focuses on the deep and persistent cross-national differences in economic, political and social institutions that affect organizations.

The emphasis in MGMT 612 is on managing the emerging (rather than established) enterprise, according to Henisz, but the core pedagogical points are relatively similar.

"The context is, however, drawn more heavily from small, nontraditional and entrepreneurial companies," he says.

"In the new MBA core … there are two tracks of the required MGMT class, 611 and 612. Each track is offered in the fall and spring. The Global Summit was a combined requirement for students in either track in either semester," Henisz explains.

That morning before the Hanses' debate, the students presented capstone team papers, in which they integrated material across the three course "chunks" to examine the drivers of value creation of a firm of their choice. Following the summit, the students broke into discussion groups.

"There was a lot of insight generated," Henisz reports.

Speaking of insights, another unique aspect of the course was a video produced in conjunction with the summit and viewed by the students before the great debate. The video was the sum of dozens of interviews conducted about the eurozone crisis with the world's business and economic elite, many of them alumni.

"It was great that we were able to use the video to hit the major themes of the course," Henisz says. Alumni are living the themes, which reinforces the importance of the course to the students.

Henisz was excited to have been able to connect the alumni into the Wharton Global Summit and MGMT 611. The event was live-streamed to hundreds of alumni in December, and all alumni will be able to access the video through Wharton Lifelong Learning and through an upcoming *Knowledge@Wharton* report.

To help plan the course's next iteration, Henisz aims to tap into that alumni energy again with interviews at the Global Alumni Forum in Tokyo.

—By Matthew Brodsky

wharton folly

The Superhero Factory

CALENDAR

May

5 8 9 10 11 12 16 17 24

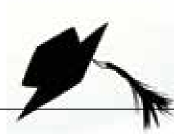
Commencement: MBA for Executives —San Francisco
May 5

IGEL Building Energy Efficiency Conference
May 8

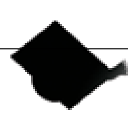
Global Clubs Conference
May 9

MBA Reunion
May 10–12

Commencement: Doctoral Division
May 11



Commencement: MBA for Executives—Philadelphia
May 11



Commencement: MBA and Undergraduate Divisions
May 12

WCAI Innovative Approaches to Measuring Advertising Effectiveness Conference
May 16

Leadership Trek: Inca Trail to Machu Picchu
May 17–27

Wharton Global Forum Tokyo 2013
May 24–25

June

11 12 19 25

Lifelong Learning Tour: Houston
June 11

Lifelong Learning Tour: Dallas
June 12

17th Annual Wharton Leadership Conference
June 19

One-Year Reunion in NYC
June 25

4x1

THIS SPRING, we again present an expanded Class Notes (starting on P. 36). It would be impossible without our Class Correspondents—dedicated alumni who collect the notes for their given class year. As you might expect, they are tuned in to the Wharton community. So who better to ask the following question?

What is the most amazing thing a classmate has recently accomplished?

"I am inspired by the number of classmates who launched new businesses. These individuals include, but are not limited, to **Asheesh Birla, WG'10,** founder of Fancite; **Anirban Datta, WG'10,** founder of Shopilly; **Roberta Brewster, WG'10,** managing partner of Energia Capital; and **Mukesh Agarwal, WG'10,** founder of IntentHub. All worked in the technology sector prior to Wharton. They were able to build on knowledge gained at Wharton, take risks and embark on major career changes."

—SUKI TOGUCHI, WG'10

"By far, the accomplishment of **Anne Punzak Marcus, WG'84**, stands out. As a provider of funds for pediatric brain research, she and her husband were surprised by the lack of collaboration between the researchers working to develop therapeutics and the clinicians diagnosing and treating children. This drove them in 2006 to join with a group of like-minded individuals to found The Autism Consortium with a mission to catalyze rapid advances in the understanding of autism. In seven years, this consortium has grown into a network of researchers and clinicians from 15 institutions in the Boston area, along with a committed community of families."—LAWRENCE BARTIMER, WG'84

"**Robert Wolf, W'84,** has the amazing ability to bring K Street, Wall Street and Main Street together. He's an adviser to President Barack Obama, former president of UBS Investment Bank, CEO of 32 Advisors LLC (named after his Penn football jersey number), and the host of Impact Players on Reuters TV. ... Robert focuses on emerging issues and trends from thought leaders and is looking to build a world-class archive. I'm also heartened by Robert's leadership example not only at 'work' but also for Wharton and Penn Athletics, as well as the Robert F. Kennedy Center for Human Rights and Social Justice (he is named after Robert F. Kennedy)."

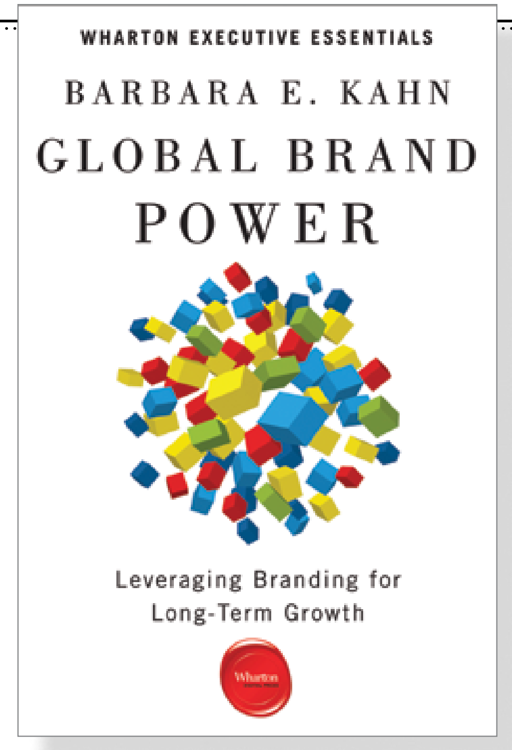
—MICHAL CLEMENTS, W'84, WG'89

"**Benedict Okoh, WG'96,** has surpassed my wildest dreams in terms of accomplishments. The man is the king of patents! He is principal inventor and co-inventor with American Express in 22 issued and 36+ pending U.S. patents. Benedict has developed new financial products for and/or advised American Express, M&T, PwC, and several law firms and foreign banks. The AfriFinance Indexes that he created have been featured in *Financial Times, The Economist* (EIU) and the *Journal of Indexes.* He was also part of the Central Bank of Nigeria team that created the blueprint to overhaul Nigeria's financial system and transform it into one of the world's 20 largest economies by 2020."

—JEANNE MCPHILLIPS DOLAN, WG'95

((ON THE web))

More about this book and other Wharton Digital Press offerings at wdp.wharton.upenn.edu.
E-books and paperbacks are available wherever books are sold online.



Let the Best Brand Win

Wharton Digital Press delivers again, this time with a Wharton Executive Essentials book about brand management.

Strong brands are more than globally recognizable. They are critical assets that can make a significant contribution to a company's bottom line. In her latest book, Global Brand Power: Leveraging Branding for Long-Term Growth, ***Barbara E. Kahn,*** *Wharton's Patty and Jay H. Baker Professor and director of the Jay H. Baker Retail Center, provides 21st century guidance on how to manage, grow and assess a brand's value. Below is an excerpt:*

Brands today must be *global*. They must offer value across different countries and diverse cultures: that is, they must be porous enough to allow for reasonable brand and product-line extensions, broad enough to change with dynamic market conditions, consistent enough so that consumers who travel physically or virtually won't be confused, and precise enough to provide clear differentiation from the competition.

In this age of total transparency—one slipup can go around the world via social media instantaneously—a strong global brand must express the same core meanings regardless of the market it is in. If those core meanings are not stable across markets, the authenticity of the brand is threatened. Consumers who travel virtually or physically will be confused, and the brand will lose its power. But brands and products are not the same thing. While brands must be global, products introduced to new markets should be implemented with a clear understanding of the local culture and conventions, and advertised, distributed and priced with local market conditions in mind.

The distinction between brands and products became clear in 1985. Brands had existed before then, but neither customers nor marketing managers genuinely understood their true power or realized that they had a life of their own independent from the products' attributes. Almost without exception, pre-1985 brands were product focused. Think Coca-Cola, Gillette, Nabisco, Campbell, Lipton, Goodyear, and Kellogg. Each one of these was—and still is—a very, very strong brand, but each one also, at least initially, was identified with specific product attributes, which limited growth potential and global credibility.

Then, in 1985, the Coca-Cola Company introduced New Coke and removed what the company subsequently called Classic Coke from store shelves. There were good market reasons for developing the new product. Coca-Cola was a much bigger global company than Pepsi Cola, thanks to Coke's global expansion and domination of the restaurant and vending machine markets. However, the market share of Coca-Cola was lagging in supermarkets, the only channel where consumers could choose for themselves. Pepsi Cola had launched the "Pepsi Challenge" advertising campaign, which suggested that consumers preferred the taste of Pepsi to that of Coke. In response, after significant market testing, Coca-Cola launched New Coke, which had a product taste that consumers seemed to prefer in blind taste tests. When Coca-Cola executives removed Classic Coke from the shelves, they removed more than a product; they took away something dear to their customers' hearts. Subsequent market research revealed that consumers felt betrayed. This shocking reaction proved to Coca-Cola and the world that consumers were loyal to brands in and of themselves, and not necessarily to product features. This realization radically changed the way both academics and business practitioners thought about brands. Now, more than 25 years later, we have amassed significant knowledge about how branding works.

We have learned how to build such brands, how to position them appropriately, how to create emotional bonds and how to continually reposition these brands to keep pace with changing market dynamics. Bottom line: We now know how to leverage and manage brands to help the firm grow. Good brands are not accidents. Their long-term value to the firm has to be developed and managed over time. The best brands form relationships with their customers. In doing so, brand meanings may also be co-created through social media communities and customer-engagement strategies. Grappling with all these issues is the challenge that every marketer faces.

REBLOG

BY MYRON E. WEINER

DRIVING INNOVATION WITH THE AUTOMAT

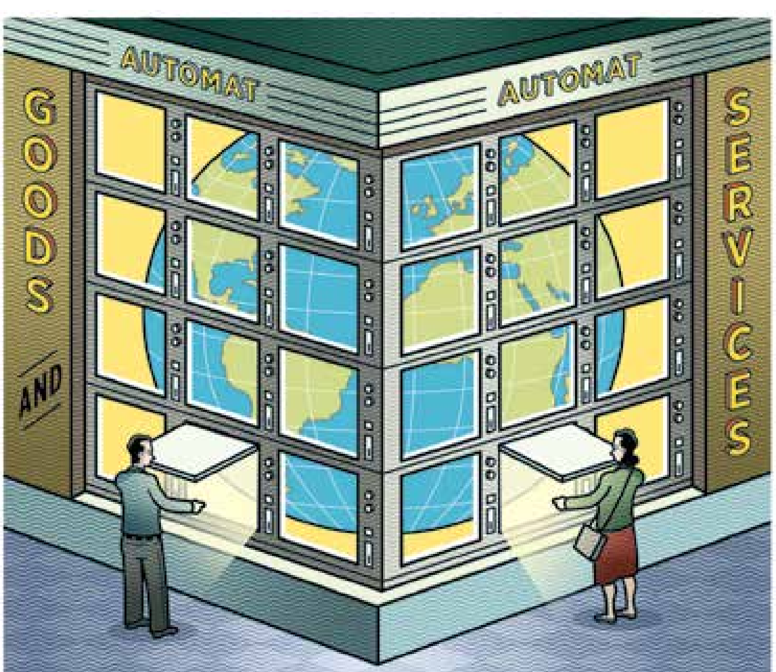
HOW WHARTON AND PENN CHANGED THE WORLD THROUGH UNPRECEDENTED PROCESSES FOR PRODUCING GOODS AND SERVICES.

Now and then, it's worth it to pause to look at the way the world was changed by Wharton and Penn.

There are millions of people who walk around with a smartphone, iPad-type tablet or laptop who do not know that the world and its economy were shaped by Wharton and Penn.

In the 1950s, while acquiring my Wharton graduate degree, one of the first computers that spawned the entire industry—ENIAC—was being programmed by **Jean Jennings Bartik, GED'67**, and her all-women team. Nearby, the scholarship and research of Penn's **C. West Churchman, C'35, GR'38**, and later, Wharton Professor of Systems Sciences **Russell Ackoff, AR'41, GR'47**, led to a change in the processes for producing goods and services that ultimately brought about today's global supply chain systems.

During that period there was an Automat on Locust Walk (then Street) that has become the dominant model for delivery of goods and services. A restaurant without waiters, waitresses or cashiers, the Automat housed rows of windowed vending machines. In it, you visually scanned the food waiting for you, inserted your coins and got your lunch—two sandwiches, a hot drink and dessert, all for $1.



PETER AND MARIA HOEY

The Automat model of production is the way you and I shape, and self-manage, our own unique acquisition of goods and services. This model continues today.

For example, take air travel. There are vastly fewer agents. We find the best deals online, select seats, make other arrangements, purchase e-tickets and download boarding passes.

We have turned the London School of Economics Charles Handy's Shamrock model of organization into a four-leaf clover, in which consumers are part of an organization's workforce. Pumping our own gas is just one of our many daily work chores for different corporate and public organizations.

Stafford Beer, a founder of the management sciences field, predicted in the '70s that we were moving from simplified to complex systems that are focused on ultimate variety—striving to meet the needs and interests of each person or group uniquely. Our challenge: learning how to shape organizations that manage the production of goods and services that meet the ultimate variety metric.

The Automat model is not only efficient for dealing with complexity and variety; it is desirable because it allows everyone manage their own lives, which most social scientists would consider healthy and advantageous.

But another part of that model is open for question. Facebook, Google, Google Maps, YouTube, LinkedIn, etc., are all free. There are some who caution us that "there is no such thing as a free lunch," and all the freebies we enjoy come with a price. We have traded the details of our privacy to the marketers of the world. Now, we have to be sure we're not being "P.T. Barnum-ed" as we shape our own lives.

It turns out that the benefit and cost is not only algebra for businesses; it's a personal requirement for everything in life. ■

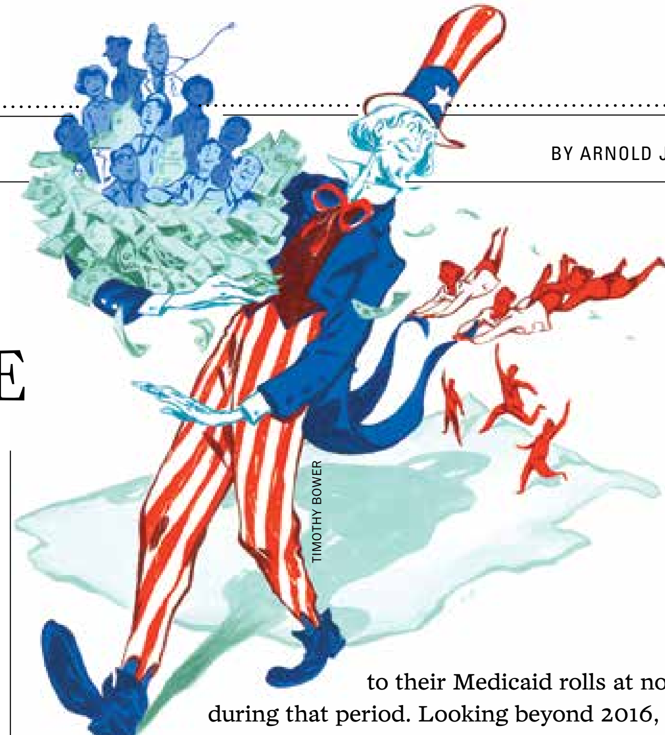
Myron E. Weiner, WG'51, *is emeritus professor at the University of Connecticut's School of Social Work, Masters of Public Affairs and Institute of Public Service, and a management and organizational development consultant.*

((ON THE web)) This article first appeared on the Wharton Blog Network at whartonmagazine.com/blog.

OFFICE HOURS

BY ARNOLD J. ROSOFF

OBAMACARE AND THE ELEMENT OF SURPRISE



TIMOTHY BOWER

Last June 28, Chief Justice John Roberts surprised many when he announced his opinion upholding most of the Affordable Care Act (ACA). Most expected the Supreme Court to strike down the law's central feature, the "individual mandate," requiring all Americans to purchase basic health insurance if they were not otherwise covered. It was no surprise that the court held, by a 5-4 vote, that the mandate exceeded Congress's "commerce power." The surprise was the court's 7-2 ruling that the mandate is constitutionally supportable under Congress's power to tax and spend.

The court astonished again when it declared unconstitutional (also by 7-2) the ACA's requirement that states expand their Medicaid programs to include adults below 138 percent of the Federal Poverty Level (FPL) or forfeit all federal Medicaid contributions. Roberts' opinion reasoned states so depend on this federal funding that requiring them to expand programs to keep that support would be coercive and violate the 10th Amendment.

Three things make this ruling worth our attention. It overlooks the Supreme Court's 1978 ruling in *North Carolina v. Califano* upholding a similar requirement in a federal health-planning law. Roberts' decision never mentions *Califano* and neither do nearly 200 briefs filed in the Obamacare case. And perhaps most surprising, liberal justices Stephen Breyer and Elena Kagan joined the conservative majority on the Medicaid issue. Cynics might suspect a backroom deal sacrificed mandatory Medicaid expansion to keep the ACA alive.

The challenge to Medicaid expansion was raised by 26 "red" states, which fought it to the Supreme Court. Down to last November's election, the challengers trumpeted their win and declared they would forego the expansion. With the election now history, what will they actually do?

The time for political posturing is past; reality intrudes, and positions have been changing. The ACA's Medicaid expansion deal is so sweet that even some diehard Republican governors are stepping up to have their states feed at the federal trough. *The Wall Street Journal* referred to them in a Feb. 4 article as "the GOP's Obamacare Flippers."

As of March, eight GOP governors have announced their states will take the deal. Gov. Chris Christie of New Jersey was the last to sign on. Christie reasoned that if New Jersey refused the Obamacare funds, they would simply be spent elsewhere and declared, "I will make all my judgments as governor based on what I believe is best for New Jersey."

From 2014 through 2016, the feds will pay all costs of providing "essential health benefits" to previously uncovered adults between 100 percent and 138 percent of the FPL. This will enable most states to enroll tens, even hundreds, of thousands of new people to their Medicaid rolls at no cost during that period. Looking beyond 2016, the CBO estimates that Medicaid expansion could add less than 3 percent to a state's annual Medicaid cost and, if fully implemented, 17 million adults to the ranks of the insured.

Polls show that the public is solidly behind the Medicaid expansion, and much of the health care industry is too.

So governors not already on board weigh the cost in votes of turning down the big pile of federal money. Starting in 2017, the federal contribution will decline, though not below 90 percent through 2020. Beyond that, the ACA doesn't specify what will happen. States are wary of taking on a major new obligation without knowing its long-term dimensions; but the current Congress cannot bind its successors, and the future has never come with guarantees. So despite the uncertainties, many states that fought for the right to turn down Medicaid expansion will decide to accept it anyway—the biggest surprise of all.

Looking beyond Medicaid, ACA implementation holds many more open questions, which Wharton's health services and policy faculty are following: (a) how states will develop and run insurance exchanges, on their own or in partnership with the federal government; (b) whether employers will respond to the ACA by increasing, reducing or dropping employee health insurance; (c) how health care providers and insurers will respond to the ACA's structural, payment and incentive changes; (d) whether individuals will obey the mandate or choose to pay the relatively modest penalty for noncompliance; and, perhaps above all, (e) whether Obamacare will help to rein in the nation's long-escalating health care costs or bankrupt the system.

Opinions on these questions run strong. I have long maintained that universal health care is a *sine qua non* of a fair, compassionate nation and have championed this goal. I believe Obamacare is a big step in the right direction; but whether history will record the ACA as a success, a failure, or just another jog on a long and winding road is a question we're nowhere close to answering.■

Arnold J. Rosoff *is professor of legal studies and health care management and a senior fellow of the Leonard Davis Institute of Health Economics. He holds a secondary appointment in the Perelman School of Medicine's Department of Family Medicine and Community Health.*

FROM THE CLUSTER

BY CAMPBELL MARSHALL

TAKE A SHOT AT CHANGING THE WORLD

I still remember my soccer coach, during a break in our scrimmage, encouraging my team of 20 or so 10-year-olds to kick the ball at the opponent's goal more often. In his thick British accent, Neal, with spit flying from his lips, reminded us: "If you don't shoot the ball at their net, you won't ever score a goal!" It was a simple lesson, but it has stuck with me throughout my adult life.

After graduating from the university, I was fortunate to work in situations with people of unique intelligence and drive, all who "shot the ball" at challenges said to be "impossible." I worked at the White House, assisting with the negotiation of multiple international trade agreements—from Africa to South America and Australia to Europe—with the aim of increasing a mutually beneficial free flow of commerce. I was later humbled to work alongside the men and women within my country's counterterrorism efforts, each of whom made great sacrifices. Some sacrificed everything. All unflinchingly believed in protecting the basic human rights of life and liberty. I witnessed firsthand the vision, commitment and drive of two U.S. presidential candidates who, politics aside, wanted to make their country a better place and a beacon for others around the globe. In each of these experiences, my colleagues believed they could change the world, and more importantly, they were brave enough to try. They repeatedly succeeded, benefitting millions.

"I witnessed firsthand the vision, commitment and drive of two U.S. presidential candidates who, politics aside, wanted to make their country a better place and a beacon for others around the globe.

I'm now surrounded by more than 1,400 intelligent and driven young leaders from around the globe. When I arrived at Wharton last summer, friends back home would ask, "How's it going?" The two words I found myself repeating: "intimidating" and "exhilarating." These emotions stemmed from the unbridled talents, accomplishments and pure intellect of my new classmates. As someone with a completely government-focused background and almost no business experience, it was intimidating being thrown in the deep end of a management simulation with a cohort of brilliant minds. It was simultaneously exhilarating to feel the raw "horsepower" of the team to which I was contributing.

The first semester flew by, and as I write this, all these exceptional individuals are laser-focused on finding the best internship or job they can get their hands on. I'm reminded of a legendary business anecdote from the early '80s. Steve Jobs needed a hardened manager to help run Apple and lured **John Sculley, WG'63**, from PepsiCo. by challenging him, "Do you want to spend the rest of your life selling sugared water, or do you want to change the world?"

Watching my new friends at Wharton researching equities and "casing" with one another, I find myself asking the question: "Will we change the world?"

The challenges we'll face as we leave Penn after graduation are enormous. The aftermath of a global recession is still keeping millions from finding jobs and preventing the recovery of national economies. Energy and water, both vital resources we treated as inexhaustible for decades, have become the catalyst for violent conflicts. Fanatical dictators kill their own people to stay in power. These are very real challenges that have changed, and will change, all of our lives in some way or another.

Given the trends of globalization and geopolitics, I believe that the leaders who will help mitigate and solve these issues won't be the traditional political and military types who are memorialized in marble statues in our respective capitals. More and more, they will be business leaders and public servants armed with a business education.

It's the responsibility of the very best of those people, people like my classmates, to face these challenges head on.

My hope, my expectation, is that my Wharton classmates will ambitiously take that shot on the impossible. I continue to ask myself the question: "Will we change the world?" Each day, I grow more confident that the answer is "yes." ■

Campbell Marshall *is a first-year Wharton MBA/Lauder MA candidate. He graduated from Duke University in 2002 and was appointed by President George W. Bush to the Trade Representative's office at the White House. He later served as a CounterTerrorism Operations Officer in the CIA's National Clandestine Service. Prior to attending Wharton, he served as a policy advisor to the 2012 presidential campaign of* ***Jon Huntsman Jr., C'87, HON'10****.*

FROM THE QUAD

BY CHRISTINE SKOVIRA

RAISED TO A HIGHER STANDARD

They say that imitation is the sincerest form of flattery. For four years, I have been surrounded by excellence. Initially, I tried to imitate the camaraderie, curiosity and entrepreneurial spirit exhibited by my professors and peers in both my biology and business courses at Penn. As I grew during my four years, I realized that this idiom should be rewritten to read: "Innovation is the sincerest form of flattery." The Wharton School trained me to learn from those around me, and then to apply these examples to my own passions and use them as templates for creating my own unique forms of excellence.

In 2009, I drove only one hour from my home in Downingtown, PA, to Penn's campus, but I entered an entirely new world. Stepping into Huntsman Hall my freshman year, I entered a place that challenged me from day one to find the most innovative solution that would drive quality change. At first, such a push for excellence seemed daunting for a small-town girl. But during my time at Penn, the Vagelos Life Sciences and Management Program provided me with the toolkit and the resources necessary to define and pursue my own forms of excellence with measurable social impact.

As a board member on the Wharton Dean's Undergraduate Advisory Board (WAB), I have seen that the School's administration holds itself to the same high standards. Staff and faculty work intimately with students and continually offer us more grants, clubs, courses and challenges that are better, smarter and always ahead of the curve. They push students by asking tough questions that drill down to the crucial "why?" Why select this idea over others? Why will others believe in it? Then, once students are thoroughly entrenched in doubt but determined to persevere, our teachers put forth the ultimate test of ideation survival: Why should you believe in this idea?

The result is an Undergraduate Program made up of ideas that are original, well thought out and light years ahead of other undergraduate programs. In my tenure on WAB, I have seen the administration develop a social impact concentration, a senior capstone course, an undergraduate research board, a public policy initiative and other innovations that inspire students.

Wharton has already given me the opportunity to apply my strategic business skills in the scientific field. With the Wharton Summer Program for Undergraduate Research grant, I studied the economics of Chagas disease with Dr. **Michael Levy** in the Perelman School of Medicine.

We asked: Why use these housing materials when there are other better barriers against the Chagas disease vector,

COLIN LENTON

chirimachas? Why not offer incentives for community members who have their homes sprayed with insect repellent? Why not then apply the knowledge learned from chirimacha bugs in Peru to bedbugs in Philadelphia?

Through our research, my team developed novel insect repellent incentive programs in Peru, which we and Peruvian health care workers believe will work.

I will carry the lessons I have learned into my career in global health. Asking the right questions can poke holes in inadequate offerings. This is crucial in public health, in which the potential downfalls of a community program, no matter how small, can completely undermine the benefits.

For example, what happens if an entire city block allows health officials to spray insecticide in their homes—except for one home? The insects in this home can move over to the other treated homes once the insecticide wears off, making the spray campaign less effective and leaving a whole community at risk. A cursory researcher may say 95 percent of homes sprayed is good enough for prevention, but that is not innovative enough to drive Chagas disease eradication.

Luckily, while at Wharton, I have been raised to higher standards than to settle for 95 percent, which would not even be enough to get an A in a Wharton course or a WAB initiative. ■

Christine Skovira *is a senior pursuing a dual degree in biology and economics in the Vagelos Life Sciences and Management Program. She is the co-chair of the Wharton Dean's Undergraduate Advisory Board, a consultant at the Wharton Small Business Development Center, and a researcher in the Biostatistics/Epidemiology Department at the Perelman School of Medicine.*

NETWORK DISPATCH

BY MICHAEL J. MILNE

JOURNEY TO THE CENTER OF THE NETWORK

In August 2011, my wife, Larissa, and I chucked it all to travel around the world for a year. We were reconsidering the next phase of our lives and hoped the trip would serve as a vehicle for that thought process. One of our goals was to meet locals who could share unique insights into their cultures—information not available in a guidebook. Fortunately, the extensive Wharton alumni network offered us an opportunity to make such contacts. Before arriving in a new destination, we reached out to the local Wharton club and asked to meet some of their members. Many were eager to welcome us to their city.

Philadelphia natives Michael and Larissa Milne, and trip mascot Little Rocky, about to board a biplane in New Zealand

The Milnes with a crop of Rocky fans in Kuala Lumpur

Here's a global sampling of alumni we met:

Dubai: Investment banker **Fatima Faheemi, WG'10,** hosted us for lunch at a restaurant overlooking the turquoise waters of the Persian Gulf. We were excited to meet a native Emirati, a rare occurrence in the UAE, where more than 90 percent of the population is made up of foreign workers and their families. Following the custom of *hijab*, the Islamic dress code for women, Fatima was clad in the traditional black *abaya* (adorned by fashionable purple accents) with only her face exposed below a silky head scarf. Our misconception was that a Wharton MBA would be dressed in more modern attire. But to her, it's just a uniform, no different from a businessman wearing a suit and tie. This seemed refreshingly matter-of-fact compared with the controversies raging across Europe over women wearing traditional Muslim clothing.

Kuala Lumpur: We met hotel executive **Donald Lim, W'86, ENG'86,** at one of his properties in Kuala Lumpur. As a sign of the burgeoning growth in Asia, the 20-year-old hotel was about to be demolished so that a bigger one could be built in its place. Donald was intrigued that we had visited North Korea (the only locale where we didn't find Wharton connections, but at the current rapid pace of change in the world, perhaps it's only a matter of time). Donald revealed that a few years earlier a mysterious group wearing Kim Il-Sung badges approached his company to invest in the completion of a hotel in Pyongyang. At 105 stories, the Ryugyong Hotel would be the tallest hotel in the world if finished, but work on it stopped more than 20 years ago. The visitors hinted that North Korea would eventually open up to outsiders and that his investors could get in on the ground floor, so to speak.

Sydney: Seemingly impervious to the global slowdown, the Australian economy was flourishing when we visited, mostly due to a mining boom exploiting the country's vast mineral resources. While the country was partying like it was pre-Great Recession 2006, we caught up with a former classmate and management consultant, **Larry Cornell, WG'86,** who saw things differently. He invited us over to his house to watch Australia compete in a World Cup rugby match. Over pints of Toohey's lager, we discussed the Australian economy. According to Larry, "Mining goes in boom and bust cycles, and this one won't last forever. It never does. It's feeding off demand from China and India, a need that is slowing down and will lead to another bust cycle." Larry's foresight is proving to be correct.

Ho Chi Minh City: The city was just waking up from its Tet holiday-induced slumber when we saw **Barry Weisblatt, WG'96,** at the rooftop bar of the Rex Hotel. Our nighttime view took in the signs of rampant capitalism—flashing neon, skyscrapers with helipads, and the sound and fury of millions of mopeds roaring through the city streets—all hard to imagine in Ho Chi Minh's day. Barry's career led him to Asia, where he put his entrepreneurial skills to use in Vietnam, one of the world's strongest growth markets. Starting with one small shop, he now owns a chain of women's clothing stores. According to Barry, "Vietnam has become a new land of opportunity. I love it here."

We also made contact with fellow alumni in Beijing, Paris and London. Many of the folks we met had returned to their native countries after graduation, but there were also a few, such as Barry in Ho Chi Minh City, who are transplanted Americans. They moved away from everything they knew and are now flourishing. That got us thinking about breaking out of our own comfort zone. Could we just up and move to Vietnam? Or Malaysia? Or Dubai? Could we live in these places and thrive?

Often, it is the disruption of normal routine that broadens one's horizons. By leaving our home city of Philadelphia, we met and reconnected with more Wharton alumni than if we had stayed put. Social networking and electronic communications have their place, but a voice on the phone or a "Like" on Facebook cannot replace the visceral connection of getting out into the world and meeting people face to face. Humans are social animals; we need to look each other in the eye and create the physical bond that truly establishes a relationship. On this journey I was able to do so and witnessed the robust global reach and lifelong connections of Wharton. Perhaps on our next worldwide odyssey, we'll even meet a fellow alumnus in Pyongyang. ■

***Michael Milne, WG'86,** spent 25 years in commercial real estate before embarking on his year-long trip around the world with a Rocky statue. He and his wife Larissa are blogging about their adventure at www.changesinlongitude.com and writing a book about chucking it all in midlife.*

ALUMNI ASSOCIATION

update

Spring is Here—Not Just In Philadelphia

Dear Fellow Alumni,

It's spring. That means graduation is near for Wharton's current class, which also makes it a great time to reflect on how each of us felt as we approached our own graduation.

On one hand, each of us was likely filled with the excitement that comes from anticipating new opportunities and the ability to put our Wharton education to work. On the other, we all were likely melancholic as we began to accept that we would no longer be spending as much time with the close friends and amazing individuals who all contributed to the experience that is uniquely Wharton.

I travel back to Philadelphia a few times each year to spend time with other alumni, faculty and students. I always leave renewed, refreshed and more curious than when I arrived. It is a wonderful reminder that our Wharton team is unique.

However, you don't have to be back in Philadelphia regularly to stay connected to Wharton. Simply reading this magazine is a reminder of our incredible alumni community and the good work they do.

I encourage you to deepen your connection with fellow alumni and Wharton. Our Wharton alumni community is now 91,000 strong. Whether you engage with your classmates and other alumni directly, through a club or during Lifelong Learning events such as the Wharton Global Forums, I encourage you to set aside time in 2013 to more deeply discover or rediscover the Wharton experience.

You can find all you need to engage through **www.whartonconnect.com**. Go there now, and search for an old friend. Find an alumnus who can help you in your current endeavors. Or enroll to attend a master class, summit or club meeting.

Stay engaged, and you will feel like you did in the springtime of your graduation year ... every year.

L. David Mounts, WG'04
President, Wharton Alumni Executive Board

PUTTING KNOWLEDGE INTO ACTION

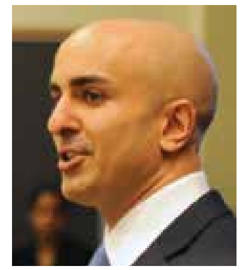
The Wharton community is full of hard-drivers, do-gooders and business revolutionaries. Students come to the School with the innate skills to succeed, sharpen them on campus and take in as much knowledge as possible, and then turn that into action, advancing societies and economies worldwide.

In this issue (as we did in last year's spring "Special Class Notes Issue"), we interview several prominent community members who have had a measurable impact upon their given field, accomplished singular achievements and/or created intangible benefits to the greater good. This is just a small measure of what occurs on campus and across the Wharton network every day.

Please find their faces and short descriptions of their pasts on the next page. Then on the pages that follow, let them explain their dreams and accomplishments in their own words. They were generous with their time and wisdom and answered a range of questions about their careers, their Wharton experiences and their personal lives.

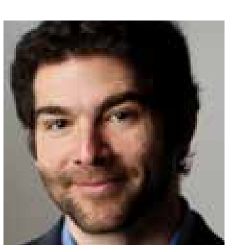
Lindsay Beck. Now an MBA for Executives student at Wharton | *San Francisco,* Lindsay had been diagnosed with a rare tongue cancer when she was 22. When the malignancy recurred and she inadvertently discovered her chemotherapy could leave her sterile, she launched into an advocacy campaign that changed the face of American medicine. Through her charity, Fertile Hope (now part of the LIVESTRONG Foundation), she co-wrote the oncology treatment guidelines to protect the reproductive rights of young patients like herself. She then lobbied among the massive health insurers and countless self-insured employers to help fund the care.

S.A. Ibrahim, WG'78. His business leadership credentials are impeccable. As CEO of Radian Group, he led his company out of the eye of the storm of the financial crisis and Great Recession, and did so through investment and growth. But what we recognize S.A. for is his commitment to interfaith dialogue. He has become the first Muslim to serve on any board of the Anti-Defamation League. The Obama administration called upon his assistance when crafting the president's now-famous 2009 Cairo speech. And among his many other involvements, S.A. heads up the Nina and S.A. Ibrahim Foundation, which is devoted to increasing religious tolerance through student travel and exchanges.



Neel Kashkari, WG'02. The nickname "the $700 billion man" has stuck with Neel even after he left the U.S. Treasury Department for investment giant PIMCO. As the world crashed around them, Secretary Hank Paulson entrusted Neel to implement the Troubled Asset Relief Program (TARP). He essentially launched a giant startup at Treasury, hiring about 140 people, completing 600 transactions and putting $400 billion into the financial system before he left in May 2009. Indeed, Neel co-authored the plan to loan Uncle Sam's money to the banks. The program has netted the U.S. government $46 billion in profits as of last count, yet Neel was lambasted from across the political spectrum. Perhaps most impressively, he is considering public service again.

Dr. Rajiv Shah, M'02, GrW'05. It was a whirlwind few months. Raj was confirmed as Under Secretary of Agriculture on May 12, 2009, only to be then confirmed as head of the United States Agency for International Development (USAID) on Dec. 24. Days later, he was managing the American response to the Haiti earthquake. Since then, he has managed the response to one global crisis after another, while transforming the $22 billion, 10,000-employee global development arm of the U.S. government. Applying his Wharton knowledge, medical background and experience at the Bill & Melinda Gates Foundation, he has leveraged public-private partnerships with aims of improving diplomacy, reforming global agriculture and ending hunger, among other "modest" goals.



Jeff Weiner, W'92. LinkedIn has recently passed 200 million members. It has had tenfold growth in revenue over the past four years, an IPO success, seven consecutive quarters beating analyst estimates and, the latest, and greater than 1 billion uses of its newest functionality (endorsements). Though as CEO for the past four years, Jeff is too humble to take the credit, he does accept responsibility for articulating and implementing the social media firm's stunning vision. Essentially, he has disrupted the talent recruitment business—and plans to stop nothing short of revolutionizing the labor market itself.

((ON THE web)) Read more Q&As with prominent alumni at Web Exclusives.

Lindsay Beck

This nonprofit entrepreneur secured fertility rights for cancer patients by winning over the medical and insurance worlds.

WHARTON MAGAZINE: **You were fighting cancer for the second time. How did you have the strength to start a nonprofit back then?**

LINDSAY BECK: I was fueled by anger and passion. I found it outrageous that in America at the time people were being sterilized without their knowledge and permission and that the solutions to that problem already existed—many times within the same hospital—and weren't being utilized. I also felt survivor's guilt and the obligation of the cured. I got lucky—I survived, uncovered my fertility risks and froze my eggs. I wanted to pay that good fortune forward and couldn't sleep at night knowing that others were forgoing their ability to have children in the name of survival when they didn't have to. It was wrong and I was determined to fix it.

WM: **How were you able to launch Fertile Hope so quickly?**

BECK: My life has been very serendipitous. Prior to starting Fertile Hope, I was a very early, junior employee at a dot-com in San Francisco. Because the team was so small, I got to watch and participate in the processes of identifying a problem, writing a business plan, raising millions of dollars from Silicon Valley VCs, spending the money and, ultimately, going bankrupt.

So then, when my diagnosis occurred, the process of starting a company seemed less daunting to me. Here's the problem, here's the solution, here's the business model, here's how we'll raise the money, here's how we'll spend it. And so, in life's weird way, I had a crash course in entrepreneurship a year before all of this happened, and I knew how to break down a big goal into baby steps and start walking.

WM: **If you had to narrow it down to one thing that's led to your success, what would that be?**

BECK: I think the key to Fertile Hope's success and my success today has been the ability to look at every situation from the outside in. For example: What does a patient need, and how can we deliver that? What do the doctors need, and how can we deliver that? What do the insurance companies need? What's in it for them? I started this seeking to change the way oncology is practiced in America, but I was only able to achieve that because I looked at it from each of my stakeholders' point of view and was able to quickly show them what's in it for them.

WM: **What about innate qualities?**

BECK: To start Fertile Hope, I had a bold vision and a stubborn persistence to not give up. Whether you're in the nonprofit space or the for-profit space, there are a million reasons to give up as an entrepreneur and you can't. I hate be told no, to lose and to fail, and the motivation and work ethic resulting from

those innate qualities (or flaws) proved to be invaluable.

WM: **You've succeeded in getting a guideline passed for how patients must be treated. You've gotten buy-in from insurers and self-funding employers. Have you achieved your goals?**

BECK: I started Fertile Hope with the goal of putting the organization out of business. I wanted to succeed myself out of a job, and I wanted to do that by solving the problem. I feel like I have done that to the extent I can.

WM: **So do you have the next problem picked out?**

BECK: Yes and no. I think that's why I'm at Wharton ... to have two years for that self-exploration.

WM: **Can you share any details?**

BECK: Namely, I would say that being at Wharton has shown me that the nonprofit capital market is inefficient, that the way nonprofits raise money, that the way capital flows to nonprofits, that the way nonprofits are measured and judged, and therefore get donations, is inefficient. It's such a nascent industry that people call it all sorts of things, but I definitely have an eye toward getting involved with social finance innovations such as impact investing, pay-for-performance vehicles and social impact bonds.

WM: **Where would you be now if at 22 you didn't get cancer?**

BECK: I don't know where I would be, but I know my life wouldn't be as wonderful as it is today for a number of reasons. I definitely see cancer as one of the best things that ever happened to me. I know that sounds silly and to some people it sounds cliché, but I feel very lucky to have been given that wake-up call at such a young age. A lot of people when they're older say things like, "I wish I knew then what I know now." I was given that gift when I faced death at 22, and those lessons have enhanced every aspect of my life, personally and professionally.

WM: **Wharton lecturer and former health care executive Paul King called you the next Dr. Mehmet Oz, M'86, WG'86? What do you think?**

BECK: Those are big shoes to fill, and I am flattered by the association. I would say that I admire the way in which Dr. Oz has used his passion to help have a positive impact on millions of people's lives, and I hope that my work to date has laid the foundation for me to be able to do the same. Having a positive social impact is an important part of the legacy that I want to leave.

S.A. Ibrahim

This unassuming business leader champions dialogue and peace in the face of religious extremism.

WHARTON MAGAZINE: **Where did your passion for interfaith begin?**

S.A. IBRAHIM: Maybe we all remember the world from our childhood as much different than it really was, but I grew up in a family where many of our friends were so different from us, either because they belonged to a different ethnic group (India's a multi-ethnic, multi-religious society) or they belonged to a different religious group. We were aware of all those differences, but those were very positive aspects to us rather than a negative aspect. And then that was what the U.S. was like in my early years. Nobody really cared about any of those differences in all my early years in the U.S., and then, unfortunately, 9/11 happened and things changed. All of a sudden, we started to look at people with suspicion, and people outside started looking at us with suspicion.

WM: **What happened after 9/11?**

IBRAHIM: For somebody who grew up fairly secular without much involvement with any kind of religion, including my own, I saw a need, and I was encouraged by my then-boss from my previous company (I ran a division for a public company, and [the] CEO lost his son on 9/11 in New York in one of the towers) to get more involved.

Every faith [is] like a well. You can dip into the well and you can drink the same water and view it as positive or negative. Individuals can either draw negative or positive views from any faith. It depends entirely on your attitude towards it.

So I decided to focus on that, and little by little, through baby steps I now find myself more and more into trying to bring people of different faiths together, largely because I think somebody needs to do that, not just me.

WM: **Since then, you launched a foundation and advised the president for his famous Cairo speech. How did that happen?**

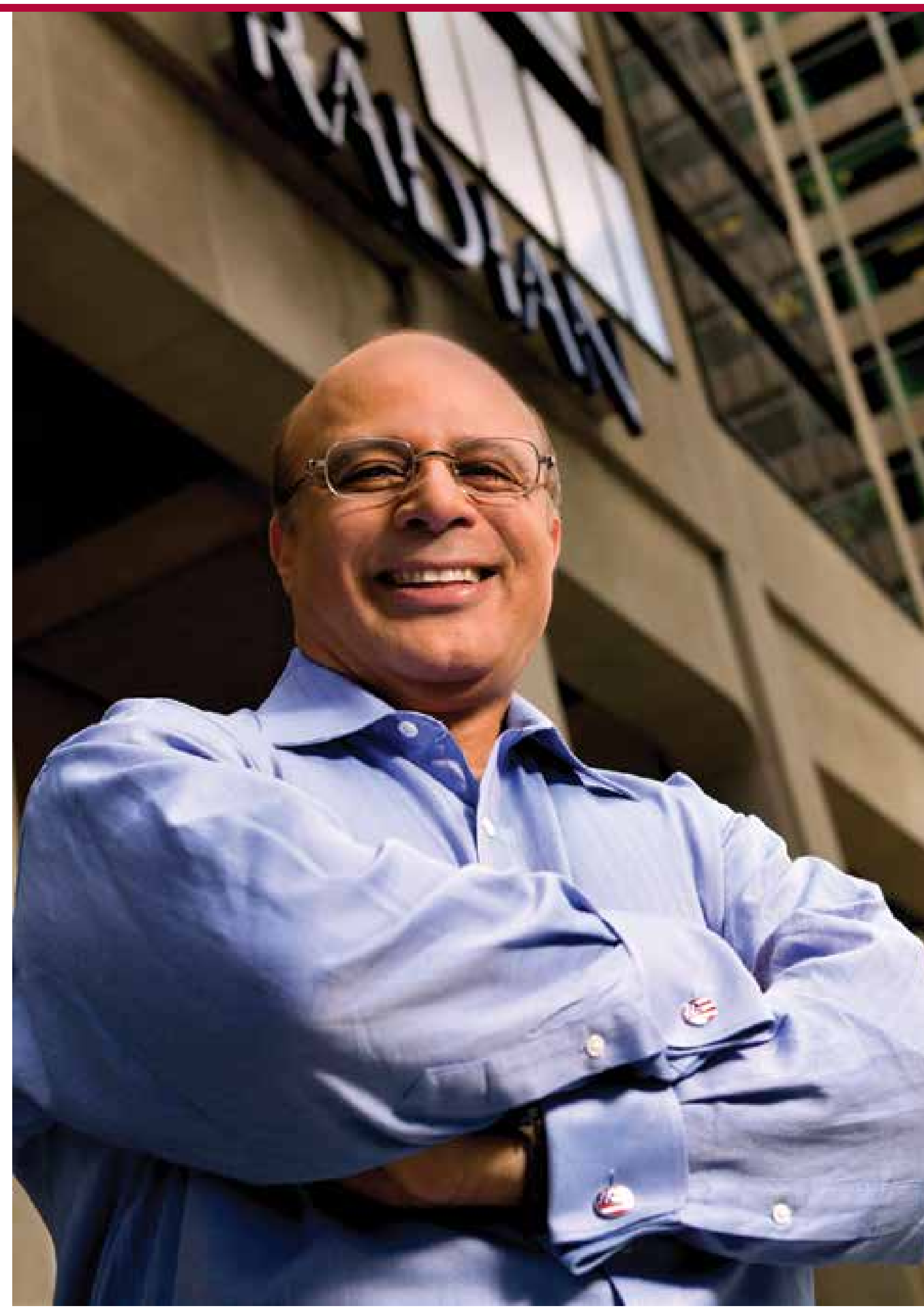
IBRAHIM: My assistant got a phone call and somebody said they were calling from the White House. She thought it was a joke at first! It was both flattering to be asked to help, and at the same time a little bit scary. At first you're amazed that they even know you exist, then how much they know about you.

That evening when I got back to my office—I had a pretty busy day—I found this email that said "whitehouse.gov," and I was about to delete it because I thought it was a prank email, but I opened and read it. I got invited to be on the first of many calls with the White House team to help with the president's Cairo speech. A few months later, I got invited again, to be one of the two business keynote speakers for a Presidential Summit on Entrepreneurship. The president spoke and Hillary spoke and several others spoke, but I was one of two outside business leaders, Jerry Yang of Yahoo! being the other person, to speak to these 350 to 400 largely entrepreneurs from the Middle East, Indonesia, India, Pakistan, many different countries whom the president had invited to the U.S. It's great to have the opportunity to help our country project an image that's more positive and that's more reflective of our reality than some of the negative stereotypical perceptions people in some parts of the world have about us.

WM: **You've said you can't control governments or politics, but given their state, what's your level of optimism for peace?**

IBRAHIM: I am very encouraged by the number of people I run into who are like-minded. I have a friend who's a rabbi whose board I also serve on in New York, who is a great scholar, and he finds parallels between different faiths. And one of his favorite characters from the Bible is Job and the trials of Job. I had talked to him one week about the trials of Job, and another week, during the month of Ramadan, I happened to be in a mosque in California, and the imam was giving a sermon on Job. And I said, you know, how similar can this be?

So there are a lot of people who are waking up to realize the interconnectedness of all these things. I'm very encouraged as we discover more in common and as we, at the same time, discredit the extremists.



WM: **Where do you get your leadership abilities from?**

IBRAHIM: I can't honestly identify what really helped me develop that. All I can say is that I'm grateful that I had a very interesting family. My mother was very academically driven, and she pushed me and pushed me to go to the most demanding schools. My dad ... I think he might have just completed high school, if not even completed high school. But he was a tremendous people person. He ran a small business which had grown to one of the most successful businesses in my city, and his biggest skill was dealing with people, whether they were his employees and whether they were his customers. And I kind of ricocheted between those two.

To some extent, Wharton was an extension of my childhood of ricocheting between two parents between what extremely human aspects that **Jerry Wind** taught to the very technical aspects that **Marshal Bloom** taught. Two of my favorite professors at Wharton couldn't be more different in some ways.

WM: **Do these two sides overlap in your interfaith pursuits?**

IBRAHIM: They do to the extent that they allow me to take on challenges that other people think are impossible. I've always told my people we want to have a team that can do what other people think is impossible or extraordinary, because there's no such thing as extraordinary/impossible other than your making it appear so.

Neel Kashkari

This public servant launched a government startup to salvage the economy. He's back for more.

WHARTON MAGAZINE: **Why did you go to Washington with Henry Paulson in 2006?**

NEEL KASHKARI: Ever since I was a child, I had an interest in public policy. My first memories of it were watching Sunday morning Washington talk shows with my father when I was in elementary school. When President Bush selected Henry Paulson to become Treasury secretary, I called him up—I met him once, but I didn't know him well—and I said, "I want to come with you. I don't care what you want me to work on. I don't care if you want me to lick envelopes. I just want to come and learn and serve and try to contribute."

I had been at Goldman for four years. Things were going great. A lot of people thought I was crazy. How could I give up a great career at Goldman to take some staff job at Treasury? And to me, this was a complete and utter no-brainer, a once-in-a-lifetime opportunity.

WM: **Why did Paulson let you come on board with him?**

KASHKARI: I think he saw that my interest in public service was genuine. But he also made some calls and checked me out. The bet I was making was that I would be able to prove myself to him and become valuable to him, and become valuable to the department, and contribute over time. When I first got there, he gave me projects that were not core to his portfolio. And as I proved myself with those side projects, he gave me more and more responsibility, and ultimately, when the financial crisis hit, I became his go-to person for everything we did in response to the financial crisis.

WM: **When that financial crisis did hit, what qualities do you think helped serve you best?**

KASHKARI: The kind of pressure we were all put under … I watched people much older than me, much more experienced than me, frankly, shudder and break under the pressure, for lack of a better word. I learned that I was able to think clearly. And the more pressure that was put on us, the more I focused solely on what we could control.

WM: **Do you think this ability is innate in you, or learned?**

KASHKARI: I think it's a combination of both. I think the strength and confidence to do what's right, even though it may not be popular at the time, is something from within. But I also think strength and confidence you can learn from others. Hank Paulson and Ben Bernanke were terrific role models because both … were laser-focused in doing what they believed was the right thing to do. They did not care about ideology.

WM: **How will history view the response to the financial crisis?**

KASHKARI: I think that history's already being written. That it was unfortunate. None of us wanted to have to use taxpayer money to stabilize the economy. We wanted to let banks fail because they deserved to fail. But when a cascade of failures would have plunged the U.S. economy into a depression, when blue chip industrial companies weren't going to be able to pay their employees, when ATMs wouldn't have cash to give out, that's when we knew we had to take bold action to intervene. So I think history's going to show that this was a time of economic crisis for our country, but a time of absolute political courage. In some sense, it was almost our political system's finest hour. The Troubled Asset Relief Program (TARP) was the best example we have in modern history of Republicans and Democrats coming together to do something controversial, absolutely necessary, the right thing to do, and in the end, highly effective.

WM: **Why the move to PIMCO right after TARP?**

KASHKARI: I wanted to go back to the private sector. I just looked for an opportunity to go back and to build something. Much of what I was doing in Washington was building, right? Building teams, building organizations, building our response to the economic crisis. I wanted to use some of those skills back in the private sector. And coming to PIMCO was a great way to do that because PIMCO was looking to build a new equity division, which I could help kick-start.

WM: **And your move out of PIMCO potentially back into public service in California?**

KASHKARI: Three things really happened. Number one, the November election happened. The Republican Party really did poorly nationally, but especially did very poorly in California. Number two, the Republican Party and especially the California Republican Party have so alienated minorities and immigrants and young people. And me being still young, I'm 39, the son of immigrants, I'm not the typical California Republican. Then third, importantly, the primary process in California has changed. And so when those things lined up for me, I said, "I need to take a hard look and see, is there a way for me to return to public service in California?" Because frankly, if a guy like me who has a passion for public service and is very high energy is not willing to try to help our state get better, on jobs, on education, then things aren't going to get better.

WM: **You've said your Treasury experience defined your life to date. How do you top it?**

KASHKARI: It's not about the role, honestly. I want to make a difference. And that could be in the government sector. That could be in the private sector. That could be in the nonprofit sector. My exploration is not about a fancy title. I had a very fancy title at PIMCO. I want to make a difference. And so I'm trying to find the best way I can do that.

Rajiv Shah

USAID's administrator is returning development to a critical and potent role in American diplomacy.

WHARTON MAGAZINE: **You've been called a "wunderkind with dizzying brainpower." How do you view yourself?**

RAJ SHAH: Well, thank you. And that's very nice, but maybe a little bit much. I believe that for America to be the world's greatest superpower 20, 30 years from now, we need to help big parts of the world in Asia, Africa, Latin America and elsewhere to fully realize their potential. In order to achieve that vision at a time when fiscal constraints are very challenging, and at a time when Americans sometimes have less faith in our government to deliver that kind of a vision, we've had to be bold and aggressive in putting in place a set of business-like reforms that just change the way we work.

WM: **Which personal qualities have made this success possible?**

SHAH: I have some unique experiences from working at the Gates Foundation and from being a Wharton grad, and from focusing on the interface between the public and private sector to try to build those kinds of partnerships. But the reality is that's not enough, that what we're trying to do here, or are in the process of doing, is transforming the culture and operations of a major $22 billion-a-year federal agency.

WM: **How have you been making this happen?**

SHAH: Whereas we used to have public sector-oriented foreign service officers, we now also have field investment officers that work in our missions around the world, that go out and scout investment opportunities for private firms and put those deals together. We have people that work with local banks and use our money, not just to provide kind of open-ended grant resources or write checks to governments, but we work to guarantee lending from local banks to agricultural businesses in those countries. Instead of just writing a check and building a road or a power plant, we now kind of ask governments to make reforms and line up private investors so that for every dollar we put in to this effort to end hunger, we know we're getting a match on that dollar through private investment, and getting another match on that dollar through domestic investment in the country.

WM: **How did you first get involved in public service?**

SHAH: How I got involved is really interesting because I was in Philadelphia at Penn. I got there in 1995, in the midst of Ed Rendell's renaissance for the city, and started working with his operation in Philadelphia, and also through that, kind of engaging in national political efforts.

I got to meet people who worked with Al Gore. And so when he moved his campaign office from Washington to Nashville, I volunteered to join, and a whole night after taking my board exams at medical school, I got in my car and drove to Nashville to join his political campaign. That was really my first opportunity to be in national politics. I started at the absolute very bottom as a volunteer working with a group of kids from the local high schools in Nashville. We would go to the library and Xerox copy and microfiche Al Gore's political history. But after being engaged in that for a couple of months, I ultimately got to contribute in a broader way, and ended up working on health care issues for the campaign and met some great people who then really have helped me find other roles, whether it's at the Gates Foundation or in the Obama administration.

WM: **Why did you get involved?**

SHAH: I grew up in suburban Detroit, and when I was very young, had a couple of opportunities to visit India with my family. On one of those visits, my uncle kind of drove me through a real slum. And I was just a young kid from suburban Detroit [and] had never seen anything like the excruciating poverty that I saw in that setting. And I remember seeing these other kids that were kind of like me but didn't have shoes and were walking around in open sewage,and were living in these huts with no floors. I just was blown away and felt like anyone who had the opportunity should really work to end that kind of extreme human deprivation and suffering.

WM: **How did you go so quickly from Undersecretary of Agriculture to head of USAID?**

SHAH: Secretary Clinton called and asked me to lead USAID on behalf of President Obama, and I was honored to receive her call. It's always surprising when your cell phone rings and it's Hillary Clinton on the other end.

WM: **And right into dealing with the Haiti earthquake …**

SHAH: I had spent a lot of time on a pretty elaborate and thoughtful 100-day plan. And then six days into the job, this tragic earthquake killed nearly 250,000 people in Port-au-Prince. President Obama asked me to lead what ultimately turned out to be the largest humanitarian response ever mounted. We went from the Haiti earthquake to the largest floods ever in Pakistan that affected 11 million people and threatened that country's economic viability precisely at a time when instability in Pakistan would have significant security consequences for us in Afghanistan and around the world.

I get excited about the proactive public-private partnerships we've structured to end hunger in sub-Saharan Africa and preventable child deaths all around the world. The biggest learning for me has been how you maintain focus on a proactive set of priorities in a major organizational transformation, while also handling a series of immediate global crises.

Jeff Weiner

The CEO of LinkedIn is revolutionizing the job market with his social medium.

WHARTON MAGAZINE: **How would you describe what you're trying to accomplish at LinkedIn?**

JEFF WEINER: LinkedIn was founded as a professional graph that connected professionals up to three degrees. However, that's just the beginning. We actually believe that longer term we're in a position where we can map the global economy. The points on that map would be all of the economic opportunities in the world, full-time and temporary, all of the skills required to obtain those opportunities and all of the companies offering those opportunities. Lastly, we want to overlay on top of that all of the professionally relevant knowledge that is possessed by those individuals. And then we want to allow capital—intellectual capital, working capital and human capital—to flow on that graph to where it can best be leveraged. In doing so, we believe we can take much of the friction out of those traditional flows and help lift the global economy.

WM: **How much does altruism play into those end goals?**

WEINER: I wouldn't characterize it as altruism so much as a belief in our vision. Our vision is to create economic opportunity for every professional where a professional is defined more broadly as someone that earns a living from their skill. We can't think of anything more profoundly important or sustainably valuable to our members than creating economic opportunity for them because it not only improves the quality of their lives, but also the lives of their family members. And they, in turn, can create economic opportunity for others.

WM: **Which of your personal qualities can explain how you've propelled to such heights at such an early age?**

WEINER: I don't necessarily think about it in those terms. But what I would say is, one of the questions I'm asked most often by students and by interns is what advice I have for them in terms of their own career path. First is the importance of knowing what it is you ultimately want to accomplish and optimizing that objective for both passion and skill (and not one at the exclusion of the other). Second is surrounding yourself with great people, only the best, and the third is to always be learning.

WM: **As a Penn undergrad, did you have such career focus?**

WEINER: I did. One of the reasons I chose Penn was the desire to end up in a role where I could amass enough influence and resources through the private sector that I could help influence and reform education. I was very passionate about that and made a very conscious decision.

Later while at Penn, I took an entrepreneurial management class, and along with a friend of mine in the class, was assigned to three engineers from DuPont who wanted to develop a desktop video teleconferencing system leveraging this thing called the Internet. This was before the Web had been commercialized. We had a chance to really learn a lot from them. I went home for winter break that year, and I remember bumping into a friend of mine who was talking about what a browser-like capability would do in terms of making the Web more mainstream. And I remember thinking about how large an opportunity that could be.

I've always kind of had media in my blood. My father worked at CBS for 20 years. This convergence between media and technology to me felt like a really interesting way of helping to level the playing field and democratizing access to information. And it really started to pick up in roughly '94. I was in a strategic management consulting firm, and I remember reading *The Wall Street Journal*, and there was this new section called Marketing and Technology. And I was thinking to myself, I don't just want to be reading about this stuff. I want to actually be there with these companies working with the executives making the decisions and helping to steer these companies through this really exciting time where this convergence was taking place.

WM: **Do you learn from other social media companies' mistakes or successes?**

WEINER: We definitely try to pay attention to the landscape. And it's not just social media companies. I think there are always things to be learned from the way other companies are doing things, from the successes that they're having, from the things that they're learning from. I think you're always going to draw upon and learn from your own personal experiences too. Some of the most valuable lessons I've learned are what not to do.

WM: **Like what?**

WEINER: I've learned about the importance of focus. I've seen a lot of hypergrowth companies in the Valley. One of my favorite expressions in business is that managing a hypergrowth company is like launching a rocket into space. If you're off by a few inches at launch, you can be off by miles out in orbit.

As a result, in those situations, it's really important to focus on defining your core and doing fewer things better. It also means investing in a firm foundation to support that focus. And that's going to be your talent, your processes and your infrastructure and making sure that all three of those areas are going to scale.

WM: **How often do you still get asked about filling the shoes of Reid Hoffman [founder of LinkedIn]?**

WEINER: At this stage, it's less about that and more about realizing the full potential of the platform. That's essential to both Reid and me.

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HORSING AROUND

Horse racing might not make the best investment of money, but its return on passion and thrills is what these alumni are in it for.

BY TIM HYLAND

George Hall's Ruler on Ice in action.

William Lawrence, W'83, grew up in the shadow of the legendary Saratoga Race Course, which meant that, inevitably, he grew up with horse racing too.

Racing is the lifeblood of Saratoga Springs, NY, and Lawrence says he and his friends loved the sport so much they promised each other that, should any of them end up with the means to do so, they would one day buy horses of their own.

A few decades later, after Lawrence made his fortune as founder and CEO of Meridian Capital Partners, his friends made it a point to remind him of their

“If you find people who are actually making money in this sport, then please let me know.”

childhood pledge. They didn’t have the money. But he did.

“They said, ‘Well, you’re the guy,’” Lawrence says.

He was true to his word. He bought some horses and then a few more, and, today, he’s living his childhood dream. In his partnership with investment guru Seth Klarman, Lawrence owns about 100 horses. Lawrence has seen his horses run in and win some of the biggest races in the country, and he says he’s loved every minute of his involvement in the sport he grew up with.

But he is also brutally honest about one thing: From a strictly business point of view, horse racing isn’t a very good business at all. In fact, it’s a pretty lousy one.

“If you find people who are actually making money in this sport, then please let me know,” Lawrence jokes. “For me, being from Wharton, for Seth, who is a great investor, this business is very incongruous to how we would normally think otherwise.”

There’s simply no escaping it: Horse racing is expensive, challenging, risky and, more often than not, entirely unprofitable. It takes a lot of money to buy horses, and it takes even more to train and care for them. Less than half of the young horses bought every year will ever set foot on a race track, and the odds of winning any race, much less a big one, are pretty slim.

Given the sport’s inherent financial flaws, it’s remarkable that Lawrence isn’t the only Wharton alum brave enough to compete in it. But he’s not. **George Hall, WG’86,** who, like Lawrence, grew up near Saratoga, has been involved in the sport since 2004.

Hall agrees that the sport is probably more of an expensive pursuit than a stable business, but he also agrees that there simply isn’t any thrill like seeing your horse win a big race. That, he says, makes all the trouble worth it.

“When I first got involved, I had somebody tell me that two out every three horses you buy might never even get to race,” says Hall, president and founder of the investment firm The Clinton Group. “They might not be good enough. They might not run well enough. They might not ever step foot on the track. But I wanted to race, and I was willing to lose money. We went into this knowing … that we might lose our investment.”

William Lawrence and his wife Gloria with Balance the Books at Saratoga

Fortunately for Hall, things have gone better than he probably could have expected.

Of the first four horses he bought in 2004 (at $180,000 for all), two turned out to be big winners, with Keeneland Kat winning the Sorority Stakes in 2005 and Fagan’s Legacy taking the Pilgrim Stakes at Belmont that same year. Since then, he’s purchased dozens more horses, seen two of them run in the Kentucky Derby and now runs his own breeding operation too.

He’s looking excitedly ahead to the new season and believes his best horse, a three-year-old by the name of Bern Identity, is on the cusp of a breakthrough. The horse came into the year having already won $616,000, including the $300,000 Sanford Stakes at Saratoga last July, and could end up making a run at Hall’s ultimate goal: the Kentucky Derby.

“It is the most spectacular sporting event there is, from the fans to the excitement to the international coverage,” Hall says. “Every year around November, people in horse racing start to get what we call ‘Derby fever.’ We’re all figuring out what races we’re going to run to get our horses into the Derby. Once you’re there—and we were lucky to get there [in 2011] because we got there statistically sooner than we should have—all you want is to go back.”

For Lawrence, the Derby isn’t the only race. That’s why Lawrence says he takes a decidedly pragmatic approach to the sport. Heading into each season, he doesn’t just target the Derby, or the Preakness, or the Belmont. He targets all the money races—the “graded stakes,” as they’re known—and tries to figure out how to win as many races as possible.

His strategy has worked. Last year, his stable was among the biggest earners in the sport, and his horses racked up five wins in graded stakes.

“The Derby is a bit of a crapshoot. It’s a tough race, and the horses that run the Derby don’t tend to do well after that,” he says. “One of our horses, Currency Swap, could have run the Derby, but that would have been a setback for the rest of the season. It’s not just the Derby you’re after; it’s the graded stakes, and the real goal is to be winning some of those bigger races.”

Now several years into their racing adventures, both Hall and Lawrence say they are confident in their approach and content with their performances so far. Both have done better than most in the sport, and both have been able to hold the line financially despite the costs they face.

But they also admit that racing has seen better days and say they believe changes need to be made if the racing industry is going to survive and thrive going forward. The sport is having trouble attracting young fans. Lawrence believes many young people, accustomed to “instant everything,” don’t have the patience to wait 30 minutes between each race. It’s also harder than ever to sell tickets because gamblers now have so many other legal options.

“Fifty years ago, this was the only way you could gamble,” Lawrence says. “You’d have huge crowds at the race track. Today, if you go to Hong Kong, you’ll still see huge crowds, but here in the U.S. you don’t because you have a casino in every state. You also have the lottery. There are just a lot more outlets for the gambling dollar.”

“The industry probably expanded too much,” Hall adds. “There are too many tracks and too many races, and we need to be more competitive to get the bettor’s dollars. We haven’t done a good job of marketing either.”

Despite the challenges, both Lawrence and Hall say there is some good news, and that news is this: The biggest races still pay big money, and for them, that’s enough to keep them going.

The price to compete may be steep, they say. But the thrill of winning is priceless.

“Winning a horse race,” Lawrence says, “is one of the greatest feelings in the world.” ■

ENTREPRENEURSHIP

A CALL TO ORDER

Alumni have developed innovative ways to digitize documents and simplify life.

BY SAMANTHA DRAKE, CGS'06

ILLUSTRATIONS BY CATHERINE MEURISSE

Before Wharton awarded **Prasad Thammineni, WG'07**, an MBA, it handed him an unwieldy mess. Figuring out how to deal with that problem spawned his fifth startup.

Thammineni estimates he gathered 8,000 pages of course materials while at Wharton. He quickly found it was difficult and time-consuming to dig through the piles of paper whenever he wanted to find something. The stacks also took up too much space.

So Thammineni scanned in all the documents and created a database that he could quickly and easily search. His classmates' enthusiastic response to the solution led to the launch of OfficeDrop in Cambridge, MA, which provides small businesses with searchable cloud storage of scanned files, accessible from a computer or mobile device.

Still, the big question was: Would people outside of Wharton pay for the scanning and storage service in order to get more organized? The answer looked promising when OfficeDrop launched in July 2008. But just a few months later, the economy began to crumble, and customers started disappearing, according to Thammineni. As a result, he spent much of 2009 raising money—not an easy task in the business climate of four years ago and at a time when the idea of online file storage was very new.

The concept is second nature now, and the industry surrounding digital file storage has grown competitive, says Thammineni. "It's still a rocky path," he admits.

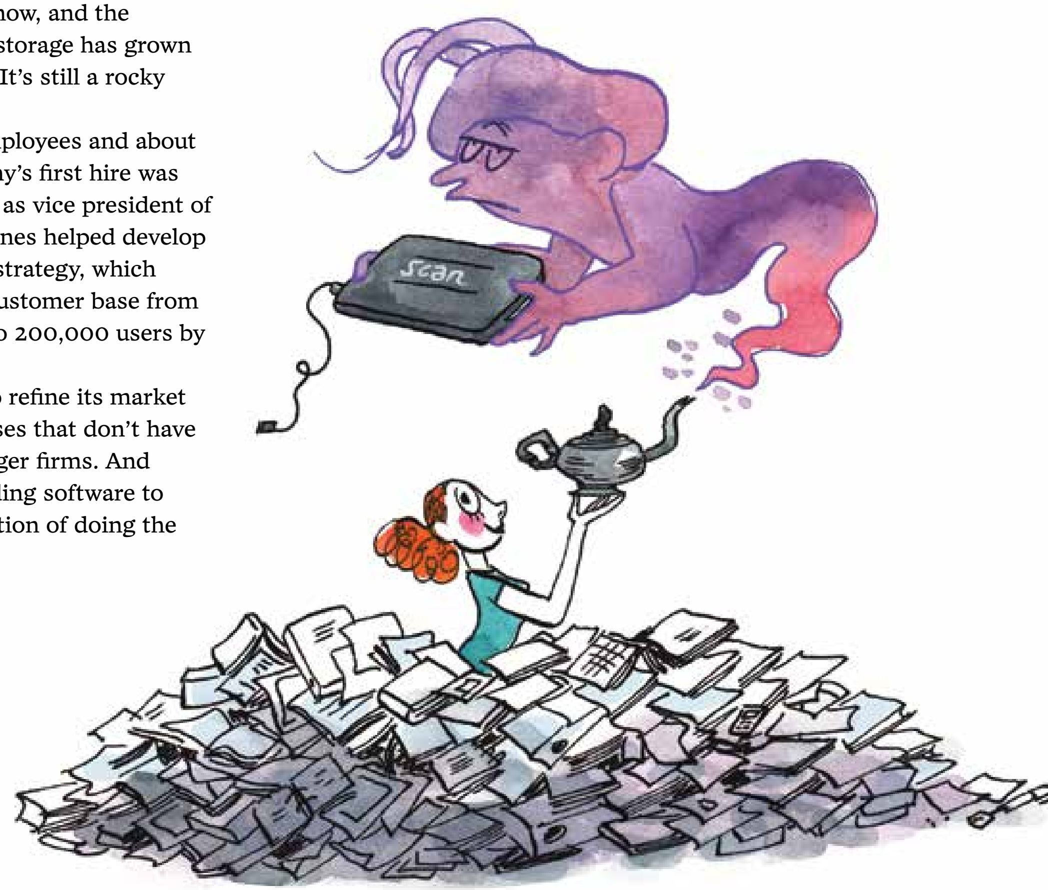
OfficeDrop has grown to 17 employees and about 220,000 customers. The company's first hire was **Healy Jones, WG'07,** who served as vice president of marketing from 2009 to 2012. Jones helped develop OfficeDrop's product marketing strategy, which resulted in the expansion of its customer base from 7,000 users at the start of 2011 to 200,000 users by the end of 2012.

The company has continued to refine its market strategy, targeting small businesses that don't have in-house storage systems like larger firms. And in 2012, OfficeDrop began providing software to customers, allowing them the option of doing the scanning themselves.

Photos Finished

Like OfficeDrop, personal experience sparked the creation of ScanCafe Inc. And like OfficeDrop, the Burlingame, CA-based company involved a cohort, so to speak, of Whartonites. It brought together an unlikely trio of students from Wharton | *San Francisco's* MBA for Executives Program.

A serial entrepreneur with an engineering background who was "looking for the next idea," **Laurent Martin, WG'06,** says he found it when he volunteered to scan the family archive of old photos after traveling to Switzerland for his grandfather's funeral. Martin planned to preserve the photos to share with extended family around the world.



ScanCafe, which has 35 employees in the U.S. and about 400 in India, has scanned nearly 80 million images to date without a loss.

Back in California, the idea of digitizing analog assets for a low cost piqued the interest of his fellow study group members **Sam Allen, WG'06,** a Missouri native and former Marine with extensive operations and logistics experience, and **Naren Dubey, WG'06,** who was raised in India and had a strong background in building process and control systems. The three quickly recognized that their strengths were complementary.

"We have open and frank discussions and challenge each other. We often disagree, but disagreements allow us to move forward," Martin says.

They seized the opportunity to use their Wharton coursework to develop a business model.

For example, in the market research course taught by **David Bell,** the Xinmei Zhang and Yongge Dai Professor, the trio determined how customers chose a service to digitize their photos, recalls Dubey, now CEO. In an operations research course taught by **John Hershey,** the Anheuser-Busch Professor of Management Science at Wharton, they analyzed their business model in terms of shipping costs to India, average order size, sales price per unit and labor cost per unit. Vice Dean of Innovation **Karl T. Ulrich,** who teaches new product development as the CIBC Endowed Professor, oversaw the genesis of ScanCafe's name and the refinement of its service and cost models. Finally, in the entrepreneurial marketing course taught by **Leonard Lodish**, vice dean of the Program for Social Impact and the Samuel R. Harrell Professor, they learned how to build an "evangelical customer base that would drive virality and growth," Dubey says.

They also presented their business plan to classmates, whose reception was less than enthusiastic. Under the ScanCafe business model, customers send photos to ScanCafe in California, which then forwards them for scanning and editing to the company's facility in Bangalore, India, where labor and bandwidth costs are cheaper.

"The India aspect made people cringe," admits Martin, ScanCafe's president and chief technology officer.

In response to their classmates' feedback, the ScanCafe team developed an operating model built around their pledge that "we will never, ever lose or damage a photo," explains Allen, ScanCafe's executive chairman. Strict guidelines and controls were put in place to safeguard photos. ScanCafe, which has 35 employees in the U.S. and about 400 in India, has scanned nearly 80 million images to date without a loss, according to Allen.

ScanCafe's emphasis on quality and safety give it an edge over the competition. "To be frank, anyone can scan photos," says Dubey. But scanning is the just the first step. Editing, enhancing, and restoring photos should be left to professionals.

The next challenge for ScanCafe is to expand its customer base. While the pool of potential customers is huge, having photos preserved is seen as "a postponable event," says Dubey.

'Order Out of Chaos'

Tackling piles of paperwork and digitizing boxes of old photos are steps in the right direction, but generally people are "overwhelmed," according to **Sharon Lowenheim, WG'81, GEE'81,** sole proprietor of the Organizing Goddess Inc. in New York. We all are receiving more information from an increasing number of sources, creating more paperwork and items to keep track of and file.

Lowenheim became the "Organizing Goddess" in 2006—after 25 years in corporate America, when she was offered a severance package following a reorganization at Pfizer Inc. After brainstorming about what she wanted to do next, Lowenheim realized she had the skills to help people "create order out of chaos" and do things more efficiently. At Pfizer, Lowenheim had become the go-to person to learn how to do things more efficiently, such as how to maximize Excel or email functions.

Now, she shows clients, primarily individuals, how to take control of overflowing email inboxes, exploding closets and time-wasting bad habits. According to Lowenheim, the most common mistakes people make include hanging on to things on the off-chance they may be of use one day, keeping things from an earlier time that have no place or use now, and refusing to get rid of something that is no longer useful just because it was expensive. Her favorite tip is: "Use it, love it or lose it."

"In other words, if you don't use it frequently and you don't love it, get rid of it," she explains.

After working with more than 200 clients, Lowenheim reflects on her biggest challenge: making people aware of the value of paying someone to help them get organized.

"People feel guilty for not being able to do it themselves," she notes.

Neat Solutions

Whether consumers turn to the Organizing Goddess for her help or perhaps use a Wharton-inspired product to de-clutter on their own, the benefits are apparent. As The Neat Company puts it: "Organize your information, simplify your life."

It is no surprise that opportunities in the organization tech space are growing, says **Craig Calle, W'81, C'81,** chief financial officer at The Neat Company in Philadelphia. People are increasingly ready to let go of paper in favor of a digital filing system, in both the office and at home. Neat's 1.3 million customers are a mix of individuals and small businesses.

"People are craving productivity tools," says Calle.

He joined the decade-old company in October 2012, when it had more than 100 employees. Previously, Calle was CFO at Maxum Petroleum, a divisional CFO at Amazon.com, divisional CFO and corporate treasurer at Gateway, and senior vice president of finance and treasurer at Crown Cork & Seal.

Neat deploys software, hardware, a mobile application and a cloud service to scan information into digital files that can be searched and accessed from anywhere. Receipts, business cards and other documents are scanned through a Neat device or captured by smartphone. Then the company's software provides robust organization tools, enabling search functions, classifying documents by type and recognizing data to automatically populate report fields. Neat also offers cloud and mobile app solutions that enable users to upload and access data from a variety of devices. For a consultant who is frequently on the road for business, for instance, Neat's technology would allow him to scan and store receipts and keep track of paperwork such as invoices, tax reports, and personal information, such as insurance and medical documents.

Calle says that Neat must plan its next moves carefully, having grown revenue 70 percent per year over the past three years.

"Our growth and success has opened up lots of avenues we can pursue," he says. "Successful companies stay focused on what delights customers."

Perhaps as long as the company and others stay focused on helping people get better organized, business will continue to be good.

"We're about more than getting paper off your desk," Calle says. "People must deal with growing electronic clutter as well. We satisfy large, unmet needs for those who understand that a digital filing system and better organization can help them get back valuable time." ■

LIFELONG LEARNING

Hosting Women Who Change the World


Attendees of the 2013 Wharton Women in Business Alumnae conference.

The Wharton School reaches out to members of the alumnae community with customized programming.

BY PAUL RICHARDS, C'10

The Wharton School is doing more than ever before to engage the alumnae population through Lifelong Learning.

Laura Zarrow, project director within Wharton's Innovation Group, explains that alumnae needs are diverse and segmented based on chosen career path—entrepreneurial or corporate—and career stage. These needs are particularly pronounced for women who must step out of work for a period of time to care for children or older relatives, or for those at transitional moments in their careers.

"Those are key points at which they need Lifelong Learning and where they need to network, assess and expand their skill set," says Zarrow.

A Wharton alumnae network is also critical for women in senior executive roles.

"The women of Wharton have been tremendous pioneers. They are remarkable women who forged their way when no path existed," says Zarrow. "So it's not surprising that they particularly value a network of peers both in gender and in professional stage of career."

These networks "provide other perspectives that allow us to think about ourselves in a different way. They force us to get out of our own space," says **Suzy Ganz, WG'88**, CEO and chairman of Lion Brothers Co. "It's the guidance, support and knowledge of others that helps us to do that."

In particular, alumnae have expressed interest in programming related to entrepreneurship, workplace re-entry, career transitions, office culture, collaboration, career planning and loneliness at the top, among other areas.

Engagement initiatives also extend to the campus.

"The student groups are important to them," says Shanna Hocking, director of major gifts in Wharton External Affairs, of alumnae she has worked with. "They almost all volunteer to come back to speak."

This institutional effort builds upon years of grassroots organizing by alumnae such as **Anne Libby, WG'95,** the owner of Anne Libby Management Consulting who founded a Wharton Women in Business Alumnae group on LinkedIn in 2008 that now boasts about 2,200 members. At around the same time, she was joined by **Priya Trauber, WG'97,** and **Ellen Chang, C'88, WG'98,** a director of intelligence with Naval Special Warfare Group 10. They put on their first alumnae conference, "The Career Woman's Journey: A Traveler's Guide," in 2010.

The point of the conference has been to create a "learning community." Alumnae can connect more deeply with one another while continuing their professional and personal growth through experiential exercises and provocative questions, says Libby.

"Why, even though 30 percent of my class was women, only 15 percent of senior executives at Fortune 500 companies are women?" she asks. "And only 4 percent of CEOs are women?"

For the first time, the School has officially partnered with Wharton Women in Business Alumnae to co-sponsor the group's fourth annual conference in 2013. Wharton also hosted alumnae receptions alongside Knowledge for Action Lifelong Learning Tour master classes in Boston, New York City and San Francisco this winter. Reunion Weekend will feature programming with an alumnae focus.

The engagement efforts are even going global. In May, the Wharton Global Forum in Tokyo will feature an alumnae networking breakfast on the first day, and the Paris Wharton Global Forum in October will feature topics of particular relevance to female attendees.

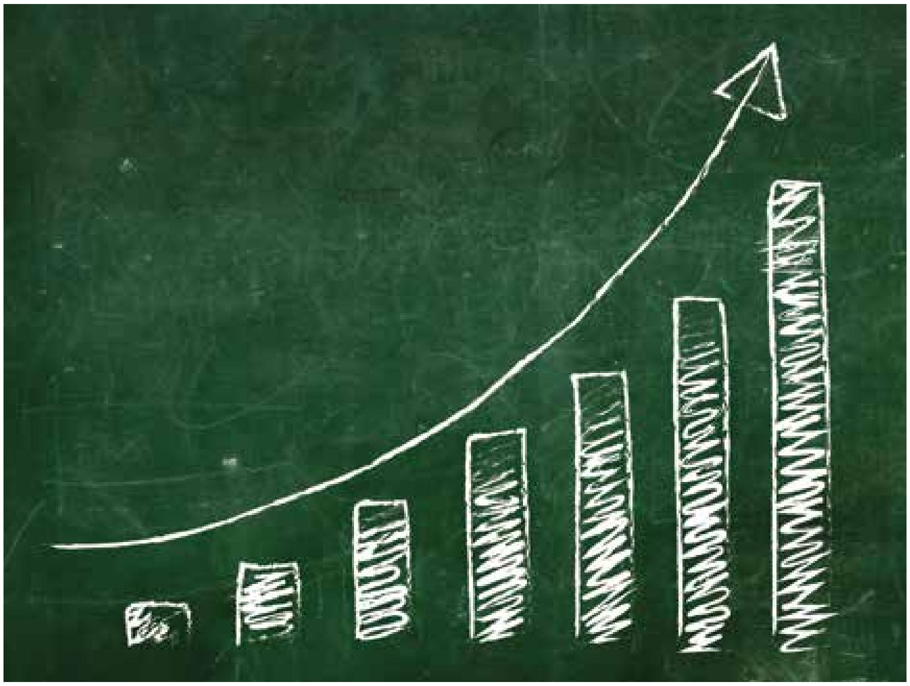
Zarrow sees Lifelong Learning's long-term potential for alumnae—for instance, the development of regional study and dialogue groups for women. Alumnae like Trauber hope to see a broader array of Wharton Executive Education options and even dream of a center for women's studies under Wharton's umbrella. Above all, though, Zarrow insists that the process must be driven by women themselves and that there are macro problems to be addressed.

"We have women who change the world, but we need to change the world for women," she says. ■

Final Exam

In each issue of *Wharton Magazine,* we test your knowledge with a question crafted by one of the School's esteemed faculty members (often straight from an actual Wharton course). Submit the correct answer and you'll be entered into our drawing for our new grand prize—a $400 gift certificate to the Wharton Store. This Final Exam challenge comes from **Abraham J. Wyner,** an associate professor of statistics and director of the Undergraduate Program in Statistics. Good luck!

Winner of the winter issue Final Exam challenge: **Jeff Schwartz, W'89**
Congratulations, Jeff!



The Basics:

The cost of college has increased. Massively. But inflation has made all things cost more over time. In fact, annual college tuition increases are positively correlated with annual inflation (r = 0.5).

To study the relationship between inflation and college tuition more deeply, researchers calculated the average percentage increase in tuition over all U.S. colleges in each year from 1964 to 2008. From each value, they subtracted that year's inflation percentage. This measures the "excess" increase in tuition over inflation.

Over the 45 years of data, the average excess was 1.75 percentage points and the standard deviation was 2.5. The histogram was normally distributed. The average annual inflation rate was 4.5 percent, and the SD was 2.8. The excess in any given year was correlated with that year's inflation rate (r = -0.75). The scatter diagram is football shaped.

The Question: ?

Approximately how frequently did college tuition increase by an amount less than inflation over those 45 years?

((ON THE web))

Think you know the answer?

Submit your response to magazine@wharton.upenn.edu by May 17. We will post the correct answer on May 24 on our website. Out of all correct submissions, one winner will be randomly selected to receive a $400 gift certificate to the Wharton Store. Prize may be subject to taxation; must be 18 years or older to win.