

s u m m e r 2 0 0 1

# Wharton

ALUMNI MAGAZINE

## The Few, The Proud, The MBAs

Learning About Leadership,  
Marine Style

# Calendar of Events

**JULY 26 – 27**

**Financial Institutions Center  
Open Forum**

**“Regulatory Difference -  
Banking Sector Regulation and  
Securities Market Regulation”  
Jointly Sponsored with  
ADB Institute, Tokyo**

For further information, please contact:  
Financial Institutions Center  
Tel: 215.898.1279

**AUGUST 8 – 13**

**Wharton Executive Education Course  
“Product Development: Analysis,  
Strategy and Launch”**

For further information, please contact:  
Wharton Executive Education  
Tel: 1.800.255.3932  
E-mail: exceed@wharton.upenn.edu

**AUGUST 19 – 24**

**Wharton Executive Education Course  
“Industrial Marketing Strategy”**

For further information, please contact:  
Wharton Executive Education  
Tel: 1.800.255.3932  
E-mail: exceed@wharton.upenn.edu

**AUGUST 19 – 24**

**Wharton Executive Education Course  
“Global Marketing Management”**

For further information, please contact:  
Wharton Executive Education  
Tel: 1.800.255.3932  
E-mail: exceed@wharton.upenn.edu

**SEPTEMBER 4 – 7**

**Wharton Executive Education Course  
“Managing People”**

For further information, please contact:  
Wharton Executive Education  
Tel: 1.800.255.3932  
E-mail: exceed@wharton.upenn.edu

**SEPTEMBER 13**

**Fall Festival**

For further information, please contact:  
Kimberly Young  
Tel: 215.898.4968  
E-mail: gsao@wharton.upenn.edu

**OCTOBER 5**

**Investment Management Conference**

For further information, please contact:  
David Solozbal or Vasu Kasibhotla  
Tel: 215.898.4968  
E-mail: solozbad@wharton.upenn.edu or  
vkasibho@wharton.upenn.edu

**OCTOBER 12**

**Finance Conference**

For further information, please contact:  
Amy Bieberdorf or Seth Yellin  
Tel: 215.898.4968  
E-mail: bieberda@wharton.upenn.edu or  
yellins@wharton.upenn.edu

**OCTOBER 20**

**Wharton Rugby Invitational  
With NYU, Cornell, Columbia, Dartmouth  
and Johns Hopkins**

For further information, please contact:  
Russell Hoffman  
Tel: 215.982.0058  
E-mail: rhoffma2@wharton.upenn.edu

**NOVEMBER 2**

**Wharton Women in Business Conference**

For further information, please contact:  
Susan Ciccarone, Poorni Bid or Melanie  
Finlayson  
Tel: 215.898.4968  
E-mail: ciccaros@wharton.upenn.edu,  
pbid@wharton.upenn.edu or  
mefinlay@wharton.upenn.edu



6

Camouflage,  
barbed wire  
and mud

12

Dancing, Dining and Catching Up  
With Old Friends



## Features

### Leadership, Marine Style

6

Ninety Wharton Students Get Their Feet Wet, Literally,  
at Boot Camp Training Program

22

Charting Real  
Estate's Booms  
and Busts



### Reunion 2001!

12

Matti Gershenfeld, WG'51, Juggling Home and Work  
Charles Benson, WG'96, Tuning in to Interactive TV  
Paulette Kish, WG'86, The Snack Sleuth  
Ed Wax, WG'61, An Ad Man With a Heart  
Julio de Quesada, WG'76, Shaping Citibank in Mexico

### Keeping Track of the Joneses

22

Wharton's Christopher Mayer Maps What Makes the  
Ever-Unpredictable Real Estate Market Tick

## Departments

### Wharton Now

2

Wharton and INSEAD Join Forces  
Professor Ed Shils on Giving Back  
Business Plan Competition Winners

### The Campaign for Sustained Leadership

25

News about Wharton's Fundraising Campaign

### Global Wharton Connections

30

Resources for Alumni

### Class Notes

34

Updates and News About Your Classmates

### A Look Back

57

### Global Alumni Events

Back Cover

## Wharton Joins Forces With INSEAD

MBA students may soon take courses in Fontainebleau France and Singapore, and corporations will be able to sign up for new, custom executive education programs offered in the U.S. and abroad, thanks to a recently announced alliance between Wharton and INSEAD.

Wharton and INSEAD recently joined forces to provide global management education to postgraduate candidates and executives at

mands of fast-paced, multinational companies for superior global education as the driver behind their decision to partner. "We are creating a model for delivering business education in a global environment that is changing profoundly, with technology-enabled learning as a critical component," says Wharton dean Patrick T. Harker. "It is an opportunity for our respective faculty and students to have greater access to the world, and in turn, the world will have greater access to the offerings of the two schools."

"Tomorrow's market leaders in management education

The INSEAD/Wharton alliance will offer global customized executive education and open enrollment programs at its four dedicated campuses in the U.S., Europe and Asia. Initially, a modular general management program for high-potential managers will be offered at all four sites. The two schools also will develop several new courses based on the combined strength of their faculty and will co-brand some existing courses. MBA students from both schools can enroll in courses at any of the four campus locations.

Wharton professor John Kimberly will manage the partnership as executive director. Kimberly is the Henry Bower Professor of Entrepreneurial Studies at Wharton and holds the Novartis Chair in Healthcare Management at INSEAD. He also holds appointments as professor in Wharton's Management and Health Care Systems Departments and has spent the last two years at INSEAD as a visiting professor.

Hubert Gatignon will serve as research director for the Center for Global Research and Development. Gatignon is the Claude Janssen Chaired Professor of Management at INSEAD and is also INSEAD's dean of faculty. Prior to joining INSEAD, Gatignon was a professor of marketing at Wharton. As part of the alliance, the dean of each school will join the governance board for the partner school.

## Mitchell Named to Bush Commission

Professor Olivia Mitchell has been appointed to President George

W. Bush's 16-member, bipartisan commission on Social Security. The commission, created in May, is

charged with devising a plan for workers to invest retirement dollars in the stock market – the most sweeping change Social Security has faced since its inception 66 years ago.

Mitchell, the International Foundation of Employee Benefit Plans Professor of Insurance and Risk Management, is internationally known for her research on global social security and pension reform. She is the co-author of *Prospects for Social Security Reform*, published in 1999 by the University of Pennsylvania Press, as well as numerous scholarly articles on the economics of pensions, annuities, and retirement wealth, among other subjects.



MITCHELL

## Infosys CEO Speaks to Graduates

Narayana N.R. Murthy, co-founder, chairman and CEO of Infosys Technologies Limited, spoke at MBA commencement ceremonies on



CHRISTIAN ROUX

four campuses: Wharton's U.S. campuses in Philadelphia and San Francisco, and those of INSEAD in Fontainebleau France and Singapore. INSEAD is widely regarded as the top non-U.S. business school.

The deans of Wharton and INSEAD cited the de-

must have global reach and be part of a global and lifelong business education and knowledge network," says Gabriel Hawawini, dean of INSEAD. "INSEAD and Wharton share a common vision of the opportunities available in business education."



May 20. Murthy, a member of Wharton's Asian Executive Board, founded Infosys in 1981 with six partners and \$250. He has since built the company into a global software and consulting powerhouse, providing e-strategy consulting and solutions, large application development and enterprise integration services for global corporations.

Murthy served as managing director of Infosys until February 1999, the same year that Infosys became the first Indian company to list on the Nasdaq. Under his leadership, Infosys pioneered the employee stock-option scheme and was also voted the best employer in India by a Hewitt study.

According to a profile in *Business 2.0* magazine, Murthy has emerged as one of India's most respected citizens. He has also been described as a social visionary who speaks openly about the social welfare of his country. Mr. Murthy was featured in the Asiaweek Power 50 – a list of Asia's most powerful people. *Business Week* named him one of the Top Entrepreneurs of the Year in 1999, and also chose him as one of "The Stars of Asia" for three consecutive years: 1998, 1999 and 2000.

MURTHY



## And the Winner Is ...

Biotech and software ventures pushed aside dot-com



PROTOCELL TEAM MEMBERS INCLUDED BEN DORANTZ, WG'01, MARK PAGE, WG'01 AND CHARLES "SCOTT" STEVENS, WG'01.

mania at Wharton's third annual Business Plan Competition.

ProtoCell, a biotechnology company that is developing a drug discovery tool to determine the function of thousands of proteins, was the grand-prize winner of the nine-month long competition, which culminated on April 30. The winning team was awarded \$25,000.

ProtoCell's drug discovery tool, called the Protein eXpression Chip, is about a year away from entering a \$14 billion market, team members say. The chip will allow scientists to understand the function of each protein encoded by each gene. Company revenue will be driven by chip sales, diagnostic applications and intellectual property ownership.

Sponsored by Wharton's Goergen Entrepreneurial Management Program, the Business Plan Competition

attracts hundreds of students from across Penn, as well as the attention of entrepreneurs, investment bankers and venture capitalists. Com-

petition finalists showcase their business plans to a panel of six judges during intense, timed presentations before an audience of hundreds. ProtoCell was one of eight finalist teams – dubbed the Great Eight – culled from a selection process that began last fall. Though last year's finalists were heavily weighted toward the Internet – seven of last year's eight were e-commerce or Internet-based concepts – this year, none of the final teams was a 'pure' dot-com venture.

The second place winner, **Designware**, took home \$15,000. Designware provides software tools and support services that streamline and automate product development processes. **Genoma**, a company that uses genomic technology and proprietary software to analyze a patient's genetic history and make health and wellness recommendations, received the

\$10,000 third prize. Lead sponsors of the 2000-2001 competition include Enron, CIBC and CommerceNet. For more information on the competition, visit the Wharton Business Plan Competition site at [www.whartonbpc.com](http://www.whartonbpc.com).

## New MBA Director Named

Marguerite Bishop, assistant professor of accounting, has been named director of the MBA program. In this capacity, Bishop will have overall responsibility for managing the delivery and design of the MBA program.

Bishop joined Wharton in 1997 as an accounting professor. Before that, she taught at New York University and Northwestern University. She holds a PhD from Northwestern in accounting and information systems and a bachelor of business administration degree from Texas Christian University.



BISHOP

## Faculty Lauded for Teaching Excellence

This spring, undergraduate and graduate students recognized several Wharton faculty for their outstanding

teaching. Among the most prestigious honors given each



INMAN

year is the The David W. Hauck Award for Outstanding Teaching, awarded to recipients for their ability to lead, stimulate and challenge students, their knowledge of the latest research in their field and their commitment to educational leadership.

Robert A. Stine, associate professor of statistics, received this year's David Hauck Outstanding Teaching Award for Tenured Faculty. Stine also received an Award for Excellence in Teaching Among the Standing Faculty this year.

Andrew Metrick, assistant professor of finance, won the David Hauck Outstanding Teaching Award for untenured faculty.



STINE

Metrick was also the recipient of an Award for Excellence in Teaching Among the Standing Faculty this year.

Thomas Donaldson, Mark D. Winkelman Professor of Legal Studies, received The Marc & Sheri Rapaport Core Teaching Award, created to recognize teaching excellence in the undergraduate

core based on course evaluation ratings. Donaldson is also the recipient of this year's Award for Excellence in Teaching Among the Standing Faculty.

Other undergraduate teaching awards went to Jamshed Ghandhi, (finance), Lorin Hitt, (operations and information management), William S. Laufer, (legal studies), Philip M. Nichols (legal studies), Madhav V. Rajan (accounting), and Jeremy J. Siegel (finance).

On the graduate level, The Helen Kardon Moss Anvil Award, awarded for teaching quality and commitment to students, went to Robert P. Inman, Miller-Sherrerd Professor and professor of finance, public policy and management, and real estate.

Nine professors also won graduate-level Excellence in Teaching Awards, given on the basis of student evaluations. The professor with the highest rating also receives the Class of 1884 Award. This year, Philip Berger, associate professor of accounting, won the Class of 1984 Award. Other Excellence in Teaching Award winners were: Franklin Allen (finance), Michael Brandt (finance), Stuart Diamond (legal studies), Thomas J. Donaldson (legal studies), Michael Gibbons (finance), William S. Laufer (legal studies), Andrew Metrick (finance), and William C. Tyson (legal studies).

## Book Tackles Work/Family Dilemma

You get a voicemail from your 13-year-old daughter begging you to attend her weekly lacrosse game. But the game, of course, is at 3 in the afternoon on a Wednesday. With deadlines on several projects looming, you wince at the prospect of leaving the office so early. But how can you say no to your daughter's request?

For many professionals, such work/family conflicts are a daily, and often irreconcilable, dilemma.

In their new book, *Work and Family: Allies or Enemies*, Wharton professor Stewart Friedman and co-author Jeffrey Greenhaus surveyed more than 800 business school graduates – including hundreds of Wharton alums – about how their dual roles affected their careers and families. Their findings? People who throw all of their energies into their careers at the expense of their families

tend to be far less satisfied with their lives than those who focus on both.

In the book, Friedman and Greenhaus say that despite what most people think, time constraints are not the real issue. The more “subtle but pervasive problem is the psychological interference of work with family and family with work. This reduces family satisfaction and satisfaction with personal growth, and diminishes parental performance. Kids rarely miss picking up on the psychological absence of a mom or dad who's with them but whose mind is elsewhere.”

Friedman argues that work and family can be allies and that companies stand to benefit from employees with balanced lives. But corporate responsibility to families must go beyond providing child-care facilities and benefits, he says. Work needs to be designed so parents can be available – behaviorally and psychologically – for their children. ♦



CHRISTIAN ROUX

## The Son of a Philadelphia Cigar Maker, Professor Ed Shils On Giving Back

By Robert Strauss

Visiting Ed Shils in his Center City Philadelphia high-rise office, you can tell he's a macher, which is Yiddish for a guy of influence. There are photos of Shils with former astronaut and airline exec Frank Borman and banker Walter Wriston and former Federal Reserve Board chairman Paul Volcker. There are degrees, earned and honorary, flanking the windows that have a gorgeous panorama of the Philadelphia skyline and the Delaware River.

But along with being a macher, you can also tell that Shils is a mentsch, which is Yiddish for a respected man. At 87, he has young people coming to him for advice, which he dispenses freely and for free. Some of those young people vie to work for him in his consulting business and more than 100 of them take his courses in leadership every year at Wharton.

And now, 65 years after his first Penn degree – his first of six at the University – Shils recently endowed the Edward B. Shils and Shirley R. Shils Term Professorship in Entrepreneurial Management at Wharton.

"I wanted to give back something to the school that got me started," says Shils, outfitted in suspenders and a fashionable blue suit, ready for the train to Washington and a meeting at the National Institutes of Health later that day for one of his clients, the Dental Manufacturers of America. "It taught me to keep busy and stay close to young people and ideas. I never have stopped doing that."

The son of a cigar maker from 18th and Marvine Streets in Philadelphia, Shils came to Penn from Simon Gratz High School in 1933, the worst year of the Depression. He was a baseball star there, but had to give up the sporting dream when he started floundering in school.

"A professor said, 'Shils, you're either going to get an A or flunk my course'," says Shils. "I knew he meant I had good ideas but wasn't applying myself. It was time to drop baseball and get serious about school."

He got three Penn degrees during the Depression – adding an MA and a PhD in Political Science to the Wharton undergrad degree – and after some time in the Army and in research came back to Wharton as a teacher and administrator full-time in 1955. He chaired the Industry Department from 1960-63 with legendary professor George Taylor and was the chairman of the Management Department from 1968-76.

But Shils considers his real baby the Wharton Entrepreneurial Center (today named the Sol C. Snider Center), which he founded in 1973. Having his own consulting business for years while teaching, he was frustrated that Wharton was teaching straight business practices, but not showing students how to be innovative and entrepreneurial. He got seed money from friends in the business world and used the Center to bring in speakers and teachers who proved, he says, that doing well, even in the corporate world, means being different than the norm.

"You have to allow people the latitude to fail," says Shils. "You have to hire people with a tolerance for ambiguity. You don't just have rules. You have people who interpret the rules for success. Jack Welch, Ted Turner, all these men we

continued on page 33



SHILS

DAVID DEBALKO

### EDITORIAL STAFF

#### Co-editors

Nancy Moffitt  
Kate Campbell

#### Editorial Board

Michael Baltes  
Meghan Laska  
Tom McMahon  
Mukul Pandya  
Robbie Shell

#### Editorial Assistant

Jennifer Urban

#### Design

Warkulwiz Design Associates

#### Editorial Office

1030 SH/DH, 3620 Locust Walk  
Philadelphia, PA 19104  
215.898.7967 Phone  
215.898.1883 Fax  
magazine@wharton.upenn.edu  
<www.wharton.upenn.edu/  
alum\_mag/index.html>

### ADMINISTRATION

Patrick T. Harker

Dean and Reliance Professor of  
Management and Private Enterprise

Steven Oliveira

Associate Dean, External Affairs

### ADVISORY BOARD

Joan Walsh Cassidy, WG'82

Executive Director, ACIL

Jay A. Dubow, W'81

Partner, Wolf, Block, Schorr and Solis-Cohen

Ellen Yin, W'87, WG'93

Proprietor, Fork Restaurant

#### Change of Address: The Wharton School

Office of Development and Alumni Affairs,  
Alumni Address Update, 344 Vance Hall,  
3733 Spruce Street, Philadelphia,  
PA 19104-6360. Telephone: 215.898.8479.

Fax: 215.898.2695. <www.wave.wharton.upenn.edu/updateform.html>



LEARNING TO LEAD,

# MARINE STYLE

**MBAs Get Their Feet Wet, Literally,  
at Boot Camp Training Program**

By Rob Laymon and Kate Campbell



**I**t's nearly nightfall when two buses packed with 80 Wharton MBA candidates and 10 Wharton undergraduates arrive at the Marine Officer Candidate training ground in Quantico, Virginia. The students, chatty and animated during their trek south from Philadelphia, now whisper in nervous anticipation.

A barrel-chested Marine sergeant boards the bus and stands facing them in the aisle. **"You are in my world now,"** he barks. **"You will do as I say and you will do it quickly and you will do it without question. Is that clear?"**

**"YES."** **"You are to refer to me as sir, is that clear?"**

**"YES SIR."** **"I can't hear you."** **"YES SIR!"**



**"The military teaches loyalty upwards and downwards  
and that brings with it interdependence."**

STEVE MEDLAND, RETIRED NAVY NUCLEAR SUBMARINE OFFICER

The outline of several other drill sergeants, four men and one woman, appear on the lawn beside the bus. Beside them are two neat piles of 90 canteens on belts and 90 helmets. The candidates stumble off both buses, women in one group and men in another. They form up in ranks and columns, dress left and right, and tighten up.

What's behind this odd pairing of Wharton students and the Marines? A 24-hour crash course in boot camp survival that's actually a high-level leadership venture organized by the Wharton Veterans Club and management professor Michael Useem, director of Wharton's Center for Leadership and Change Management. Atypical as it seems, Useem believes a combination of forced teamwork, toughness, and extreme physical and mental challenges is just what potential business leaders need to succeed in today's fast-changing global market.

"With the rise of the Internet, intensifying competition, and globalizing equity markets, students will need to know how to act fast without necessarily having all the information in front of them," says Useem, who developed the program with Wharton graduate students Vince Martino and Jason Santamaria, veterans of the Marine Corp, Pat Henahan, an Army veteran, and Steve Medland, a Navy veteran. A \$25,000 sponsorship from Lehman Brothers, Useem says, helped make the program possible.

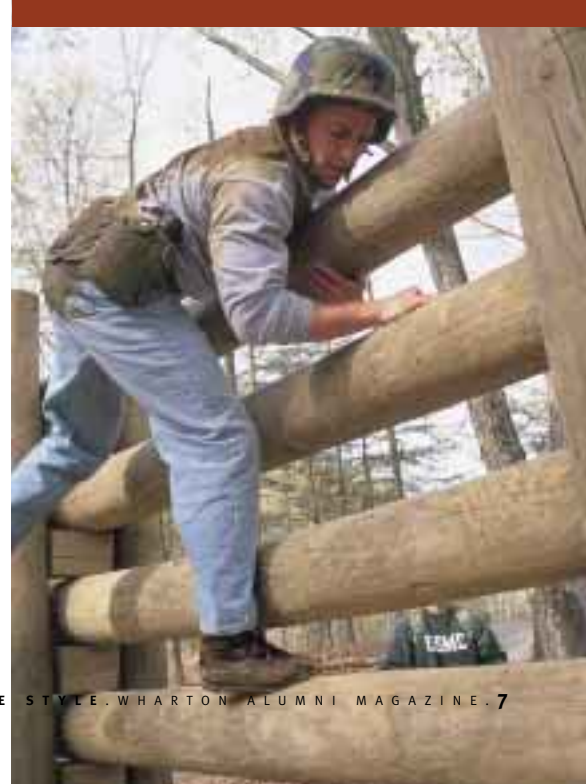
This Wild West approach to teaching leadership is nothing new for Useem: the Harvard PhD has made headlines for his annual Mount Everest Leadership Trek, a 16-day high-altitude trek he leads for Wharton MBA graduates, participants in Wharton Executive Education Programs and managers with company sponsors in the Leadership Center.

Such intense, rigorous programs, Useem explains, are unparalleled in their ability to teach something he calls the "need for speed" – perhaps the most dramatic change facing business leaders today. "It's great to be analytical, but you can't be analytical too long. You have to face up to your challenges and then act. Working fast and focused and being able to gather all the facts are what's needed from a leader in a rapidly changing and demanding situation, and our leadership ventures are intended to build those capacities."

And who better to teach fast and focused leadership than the military, says Steve Medland, a retired Navy nuclear submarine officer. "The military teaches loyalty upwards and downwards and that brings with it an interdependence. You have to rely on those you are leading to make the right decisions and to disagree with you if they feel they have to. You have to be able to explain why you should take an initiative and have faith in the knowledge that you've trained your team well."

Such lessons transfer well to the business world, where real teams are too rare and the mercenary drive is often too strong, says Useem, author of *The Leadership Moment: Nine True Stories of Triumph and Disaster and Their Lessons for Us All*. But the demand for speed to market and emerging customer impatience, he says, are just two elements that have placed the premium on collaborative teamwork in the business world.

"Companies need team leaders, not primadonnas; if you're a showboat, you're not going to build the enterprise. Our leadership program puts a premium on collaboration," says Useem, who completed the course himself earlier this year. This April, he joined his first group of student recruits and eagerly observed their reactions to real-life lessons he believes they will carry with them for the rest of their careers.





**“I think being selfless means putting the welfare of others before your own by helping each other out continuously to accomplish our projects. The Marine Corps helped me to understand that leadership is more than making good decisions in stressful situations – leadership is a way of life.”** JEAN HUANG, WG '02

Though it's become all the rage to pay lip service to the importance of team building in today's companies, too few actually build effective teams and cultivate leaders. The Marine Corp, on the other hand, has a decades-old, integrated approach to leadership. The fact that commanders must rely on their frontline officers gives credence to the idea that many within a team can lead. Indeed, in the Corp, those at the top are often forced to rely on subordinates to make the right decisions in critical situations. For such initiatives to be successful in the boardroom, CEOs must similarly adopt an aggressive sense of camaraderie and a willingness to delegate and trust.



Inside the men's barracks, two rows of men stand alert before their bunks. One sergeant prowls up and down between them, stopping now and then to bellow into a pallid face. Only 15 minutes have passed since their arrival, but the students seem to have already disappeared. In their place stands a pack of soldiers who snap to attention and bark answers as one.

**“Ears!”** shouts the sergeant.

**“Open!”** the students shout back.

Creating a sense of urgency in a chaotic and unpredictable environment is a critical aspect of the training experience, says Major Patrick Kelleher, operations officer at Quantico. “We try to expand the students' exposure to leadership styles and techniques. By taking the course, they gain an understanding of Marine Corp philosophy as it pertains to decision-making. We train leadership. We make Marines to win battles,” says the 34-year-old. “But the fundamentals are different. A bad decision in the business world means you may lose some money; in the Marine Corp, you could get someone killed.”

Drill sergeant Lee Bonar explains to the students how to attach their canteens to their belts. He tells them they are not to be without these belts during their entire stay.

“I'll be daggoned if one of you is going to dehydrate and go down as a heat casualty,” Bonar says. He then tells them how to make their beds, explaining that the Marines have a special way of making their beds, a special way of sleeping in the building. He gives them 10 minutes to make their beds, or sleep on the floor.

Frantic activity erupts in the men's barracks, with sheets flying from one end of the long room to another. The sergeant yells at a few men who have finished.

**“Why do you think you are finished?”** he bellows. **“If you got time, you help someone else!”**

**“Two minutes,”** Bonar roars to the frenzied group.

**“Time!”**

The students stand by their footlockers as Bonar strides to the end of the room, his displeasure unmistakable. **“You call this a neat bed, soldier? Do you? Answer me when I'm talking to you.”**





This unique leadership program, Useem and Major Kelleher believe, will build confidence and give students the tools to make rapid decisions. “We screen for people that have the ability to quickly assess the situation and make the appropriate decision to ensure the firefight, to capture the battle, or win the firefight during a time when decisions are often made in an information vacuum,” says Kelleher. “We look for people that have inherent moral, physical and intellectual capability. Leadership potential means confidence and willingness to take charge. Once we make that selection, we give them the tools to enhance their decision-making ability issuing orders or communicating a plan.”

The course has quickly developed a following. A host of other non-Marine groups have signed up and completed the boot camp program, including the Notre Dame men's soccer team, U.S. Congressional staffers and a national youth leadership forum. Safety is always a consideration, Kelleher says. “We know they haven't had the physical training and we'll approach at a slower pace. We understand they're coming from a different background. We've tailor-made the course for Wharton. One of the great things about this course is that the Marine Corps has not changed for 50 years. The techniques and mechanics may evolve, but the overarching principals have not changed.”

Useem's goal was “total immersion” for the students.

“Wharton students have a remarkable capacity to learn,” he says. “The essence of our program with the Marine Corp is that the learning curve becomes much steeper. Students are thrust into fast-action real problem solving in the Marines' world famous combat and leadership reaction courses. I believe that many of our students learned more about leadership and teamwork in the 24 hours on these two courses than they might during a whole year inside a classroom. A key ingredient is the intensity of the experience, first introduced by the drill instructors and later by the officers on the course. I think many of the students underestimated the Marines' ability to influence their psyche. An experience like this goes beyond intellectual stimulation. This was a tremendous way to mobilize.”

Late into the night, the “candidates” (they are no longer business students, but officer candidates) form up in ranks and march from the barracks, across the parking lot and through the night to the mess hall, where they sit waiting in wooden chairs.

The sergeants, including those from the women's barracks, file to the back of the room behind them. Colonel George Flynn, commanding officer of the Officer Candidate School, takes the floor. Flynn speaks softly and smiles, and the tension begins to ease. Could the evening's discipline finally have ended, the candidates wonder?

“I want you to know,” Flynn laughs, pointing to members of the Wharton Veterans Club sitting in back “that this drilling was their idea. We wanted to be nice to you.”

**"Most of the business world looks at leadership as a soft skill. But the marines call it a hard skill. By the time you leave here, we expect to see that you have progressed from self to team. We expect to see honor, courage and commitment."** COLONEL GEORGE FLYNN







"The students collectively slumped in their seats," Useem recalls later. "But many of the students told me when we arrived back to campus that they wished the Marines had kept that pressure going."

Flynn spent the rest of the evening explaining the mission of the Marines. "Most of the business world looks at leadership as a soft skill," Flynn tells the room. "But the Marines call it a hard skill. Ductus Exemplo, 'leadership by example.' If you believe in yourself, you can lead. By the time you leave here, we expect to see that you have progressed from self to team. We expect to see honor, courage and commitment."

And, he tells the group, they are also expected to wake-up at 5 a.m. the next morning.

The drill sergeants return the next day, the same men and women the candidates met on their arrival, but in very different roles. Still in scrubs, they don't bark now. They have gone into "mentor mode," as Flynn called it last night. They explain and encourage. They speak softly and joke, explaining the necessity of harshness, of creating what they call a system of progressive failure. At training there's always a good sergeant, a bad sergeant, they explain, and a platoon commander who's a father figure.

After breakfast, the candidates divide into several groups, each with a Marine guide, and take a tour of the OCS grounds. Captain Larry Colby, a congenial blonde helicopter pilot and academics officer for OCS, leads a group of four students through the Combat Course, a long sequence of stations designed to simulate various conditions of combat. Set in the woods about a quarter mile from the barracks, the course includes places where candidates shimmy over a gorge on a rope, cross another gorge on a bridge made of two hawsers and a steel cable, burrow through a muddy passage, and swim through a muddy pond with obstacles in it.

The once-clean business students now show little scruple about jumping into frigid water, nor about burrowing through muddy defiles among concrete blocks. They emerge cold, muddy, and wet.

Useem was pleased with his students' hardiness. "They became aggressive in helping one another," he says, days after arriving home. "And that will be an important lesson to take back to their jobs when they leave Wharton."

"You've got to immerse yourself in real decision making and tough challenges to build confidence in your own leadership. When we began that morning it was very early and very cold. One of the stations involved dropping into a trough of water on your stomach and pulling yourself on the elbows. There we are with water up to our ears and it's dark and cold and dank. We're in a swamp and you can smell the methane. Yet everybody dove into the trough and there was no complaint from anybody. I think our students learned that they can face an intense physical challenge and emerge from it undaunted. They also learned that their own goals had not been achieved until everybody on their combat team had survived every station on the course. They pushed themselves to their physical limits, they surmounted every barrier thrown at them, and they will never forget that their personal determination and team camaraderie were what made the difference."

**"I think our students learned that they can face an intense physical challenge and emerge from it undaunted. They also learned that their own goals had not been achieved until everybody in their combat team had survived every station on the course."** PROFESSOR MICHAEL USEEM



Late in the afternoon, the candidates set out for what the marines call the Leadership Reaction Course, a series of about 20 stations that include wooden platforms bordering a small tank of water, a wooden ladder on the platform, a length of rope, and a three-foot metal pipe. The purpose of the course, Colby says, is to let candidates show how bravely they can fail. Each station requires both physical and mental effort.

When the group of candidates guided by First Sergeant Brian Vreeland enters station one, they see an open area bounded on three sides by a cinder-block wall. The scenario: they are in a prison camp and must get out, but many not touch any red surfaces. Nor can they fall into the water, which is electrified. Somehow they must cross the water, land on a two-foot wide white surface at the far end of the tank, then scale one of the block walls, all without touching any red surface.

But red surfaces are everywhere.

There's a correct process for this task, all the Marines agree. But almost no one can immediately see it. Vreeland checks his watch and tells the group to begin. Immediately, they extend the ladder from the wooden platform across the water to the far end of the tank. Three students stand on one end of the ladder while the lightest ventures across it toward the other side. But she can't get near enough. Every time she approaches the far shore, her ladder teeters and she dips closer to the water surface.

Fifty feet away, at station five, candidates Jean Huang, Ali Syed, Rafael Samuel-Lajeunesse and Tom Bevan are struggling with another problem. Using various lengths of board, they must cross a body of water while carrying a large box of medical supplies. Upright stanchions rise from the water at regular intervals, some that they can put boards across, and others that they cannot.

After many futile minutes inching over unsteady boards and laying the boards over new uprights further on, time has run out. But the team won't give up, and Colby is pleased with their effort. "The trick is not to solve the problem, but to organize and address it as a well-functioning team," says Colby. "And in every team, the leadership dynamic will be different."

Once out of the candidates' earshot, Colby explains that the first leader in most teams usually employs a direct-command style of leadership. He or she issues orders and expects quick compliance. When this method fails, a second, more interactive sort of leader comes to the fore. This person communicates ideas more fully and carefully, and directs more deftly. Meanwhile, instructors observe from the catwalk above, looking for confidence, communication skills, initiative and circumspection.

continued on page 33

**"At Quantico, the Marine instructors told the students exactly what problems they were expected to solve. In the business world, however, our graduates won't have the problems laid out quite so neatly for them. But the more they can experience what lies in their futures, the better prepared they will be to lead in the very demanding markets they are sure to face after graduation."**

PROFESSOR MICHAEL USEEM



# 2001 Reunion



**A** largely sunny spring weekend greeted the more than 1,000 returning alumni and guests – an attendance record – during MBA Reunion 2001, held May 18-20. Ten MBA reunion years – WG'96, WG'91, WG'86, WG'81, WG'76, WG'71, WG'66, WG'61, WG'56, WG'51 – returned to campus, the third time 10 MBA reunion years have celebrated at once. Look for people you know enjoying the weekend in the pages that follow, and read profiles about alums from several of these classes.



TOMMY LEONARDI





# The Juggling Act

Matti Gershenfeld, WG'51, Making it Work at Home and Work

**L**ate-night office meetings, juggling class and work with babysitters' schedules, long business trips out of town – all are routine for many of today's working parents. As she calmly sips her morning decaf, Matti Gershenfeld, WG'51, doesn't exactly look like a weathered pioneer, but she's been down this road before.

She even missed one son's high school graduation because she had to lecture in France, but that's another story.

Gershenfeld, a Philadelphia-based psychologist and author of eight books, has spent a career redefining her own role as a working mother and researching how men and women are shaped by the lightning-fast changes splintering America's social landscape.

Couples today, she says, are working longer and that may have a bleak impact at home. "Mom and Dad don't just work anymore, they have careers now," says Gershenfeld, president of the International Council of Psychologists. "People work more hours, not less, and the result is everybody's tired and frazzled."

A sincere commitment to 'making it work' may be the first steppingstone, she says, for families struggling to be successful at work and at home. "Look, people change at different stages in their lives," she says, gently raising her shoulders. "Marriage can last only if a couple really wants it to last."

Gershenfeld didn't begin her career as a social scientist. She was accepted to Wharton after receiving her bachelor's degree in economics in 1946 from Penn. As the only woman in her class at Wharton, she often felt isolated. It was her time at the school, she says, that sparked her interest in studying the role of women in the workplace. Attending Wharton while working for the Philadelphia City Planning Commission meant splitting her time between the two, making sure to keep the full-time hours she needed and meet the class requirements.

It also meant dealing with the reality that some professors were anything but encouraging to female students. "It was not easy, let me tell you," she says. Despite a grueling final oral exam, Gershenfeld graduated with a degree in government administration and made up her mind to study ways organizations could improve internally.

She was 26 and working as a TV host for a local broadcast called "Citizen in Action" when she became pregnant with her first child. "In those days, they wouldn't allow a pregnant woman on television. But they didn't want me to leave either, so I did the whole show sitting behind a desk and no one knew the difference," she laughs. "I never thought I'd work again after I had babies." But she soon realized that as much as she loved spending time with her children, she missed the stimulation of working outside the home. "There was an attitude then that you got married, had children and stayed home and that didn't do it for me. I don't look at the world like other people. I'm into changing the world."

Her husband, the late Marvin Gershenfeld, M.D., supported her goals and her ambition, she says. Besides, Matti Gershenfeld was used to a fast pace and making the best of challenging circumstances. "I decided I wanted to be a psychologist so that I could help people who are stuck," says Gershenfeld, the mother of four sons, who enrolled at Temple University for her doctorate in social psychology in the early 1960s.

At the time, all her children were under the age of eight. When she graduated in 1967, she was asked to join Temple's faculty as an adjunct professor, a title she still holds today. In the early 1970s, with the doctorate degree and a renewed eagerness to make a difference in the lives of women, Gershenfeld co-founded and served as director of the Institute of Awareness. The Institute offered university-level programs

for women and won numerous awards. It enrolled over 2,000 women before closing later that decade. She also co-founded and was president of the Couples Learning Center in 1976. The educational, non-profit corporation developed innovative programs for couples and families and broadened her consulting career.

Today many of her books, including *Contemporary Marriage Handbook* (1985), *Making Groups Work*, (1983) and *How to Find Love, Sex and Intimacy after 50: A Woman's Guide*, (1992), address the challenges couples face and the changing roles of women at work and at home. She's been a guest on TV and radio shows including *Good Morning America*, *Oprah*, and *The Phil Donahue Show*. Today, she still writes and runs a consulting practice from her Jenkintown office. "I've always looked at things and said 'Why is that happening?' I've tried to make a difference in each problem and see what I can do to change things."

And about that high school graduation she missed?

"The school had actually postponed the graduation four different times because of weather. So, by the time they held it, most of the kids had started their summer vacations and didn't even go. My son understood. He supported me." ♦



GERSHENFELD

JERRY MILLEVOI

# Beyond Channel Surfing

## Charles Benson, WG'96: Tuning in to the Future of Television

**C**harles Benson, WG'96, was an investment banker for Salomon Smith Barney and even worked for a period at Walt Disney and Kraft before he tuned in to the future of television and launched his career at Liberty Digital. The two-year-old new media company develops interactive television networks, says Benson, who focuses on strategy and business development.

But exactly what Liberty Digital provides, Benson, 34, says, is a bit more complicated. "We're part VC, part business incubator, part transaction shop."

Never one to shy away from risk, he quit the banking industry several years ago to move to Germany without a job. Benson, who speaks German, dabbled in the food products business there, but not for long. "I returned to the States and after Wharton, caught on to the promise of iTV," says Benson, a native of Bronxville, N.Y. "Similar to our parent, Liberty Media, we are not an operating entity, but rather a holding company looking to leverage our assets to create a suite of television channels."

But not your basic television channels, he says.

Though still little known to some, the fast-growing concept of interactive TV is actually not new. "Interactive TV can mean different things to different people," says Benson, who admits to being a closet Type A personality who can't sit still long enough to finish a book. "It's really any activity where the viewer is doing more than leaning back and just channel surfing. In its simplest form, it can include ordering items viewed on the television by dialing an 800 number. Established companies like the Home Shopping Network and QVC have been doing this for years."

The promise of new interactive technologies, he says, will only enhance existing TV commerce opportunities by allowing the order process to take place with a click of the TV remote control.

Interactive TV can also include viewing movies on demand, selecting multiple camera angles and performing web-type functions like browsing, e-mail and chat. "In other words, the viewer is interacting with the medium," says Benson, who is responsible for several cable channel development initiatives at Liberty Digital.

The concept banks on the belief that the viewer will become a "lean forward" consumer instead of a passive couch potato, says Benson, who believes the television Set Top Box is the key to this

process. Essentially a channel selector, the device has been evolving into what he calls "a communication portal" that enables the TV to be hooked up to the Internet and become a gateway to the home. While some consider it a competitor to the PC, in many ways the TV provides a way to complement and enhance the PC experience. "Already we're seeing the two devices being used simultaneously in millions of homes," says Benson.

Thus far, he says, the main hurdle has been cost. Convincing powerful cable companies to spend more aggressively to support the emerging – and costly – technology that allows the audience and the

merchant to essentially have a two-way conversation is part of the challenge for Liberty Digital. The interactive Set Top Boxes must be installed into viewers' homes – and that means a cost to the cable carrier of about \$300 to \$400 per device. Although there are several million interactive Set Top Boxes in use today, he says, deployment has lagged earlier predictions.

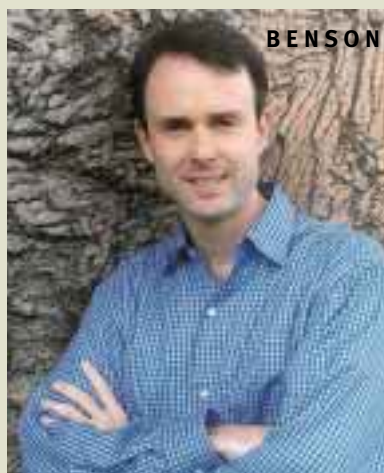
But with its ties to Liberty Media and assets that include an access agreement that secures bandwidth with AT&T digital cable systems, Liberty Digital is in a prime spot to succeed. AT&T is the largest U.S. cable provider with over 14 million subscribers. "The connection to





AT&T is a real plus. It will be the cornerstone of our distribution footprint and will serve as the basis for us to role out our channels nationwide.” As the leading interactive television technology investor, Liberty Digital’s portfolio consists of over 25 public and private companies. The company is headed by Lee Masters, one of the cable industry’s most successful network executives who led MTV and VH-1 and launched E! Entertainment Television.

Ultimately, Liberty Digital projects that channels in the game, travel, music and automotive categories are among those with the highest chance of success. “We looked at the online world and



found that Web sites for games are among the most heavily trafficked. In the travel and automotive categories, consumers rely heavily on information gathered from online sources in making

their purchase decisions,” says Benson, a music fan who is particularly excited about developing Liberty’s interactive music channel concept.

Developing successful models that will earn money for both the network and the cable operator is the key. “With the 500-channel universe, ad revenues get stretched thinner, forcing networks to look for additional ways to make money. Interactive TV applications are a way to supplement the traditional network economic model, and I believe Liberty Digital is very well positioned to exploit the promise of interactivity to create viable new businesses.” ♦



**A**lums and their families reunited with old friends and classmates, caught up with school news during a Wharton Town Meeting with dean Patrick Harker, picnicked on the Quad, danced and dined, and attended workshops and panels.



On Friday evening, alums from all 10 reunion years gathered at a festive reception at Hoover Lounge followed by a Class of '96 Nostalgia Night at the MBA Pub. Weekend events included alumni/faculty exchanges including Jeremy Siegel's always-popular talk, "Perspectives on the Market: Are Stocks Still a Buy?" and a talk on "Work/Life Balance."



# A Snack Sleuth

Paulette Kish, WG'86, in Search of the Next Cracker Jack

Paulette Kish, WG'86, is sort of the Detective Colombo of snack food trends. Except that, as Frito-Lay Company's vice president of consumer trends and insights, her charge is to uncover what the public craves before they know themselves. A proven mix of research, savvy and intuition has earned this marketing research specialist high grades within the ranks of Frito-Lay, the \$11-billion snack food division of PepsiCo, Inc.

"What I love about this role is that it really is a blend of the science of research with a bit of art and magic... that eureka that comes from stepping back, asking why, what does it mean and what do I do about it," says Kish, the inventor

of Equitrak – a proprietary tool used at Frito-Lay for brand equity and health assessment.

"For example, one consumer need we're looking at is 'sweet, mindless nibbling'," Kish explains from her office in suburban Plano, Texas. She has worked at Frito-Lay in consumer insights and marketing for almost 13 years and heads a 24-member department there, including managing 10 on-site consultants who study grocery-shopping data.

"Traditionally, when you choose something sweet to eat, like a candy bar or granola bar, the eating experience has a clear start and stopping point."

The future of 'bite-size sweet,' according to Kish's latest research, blends the benefits of sweet products with the already popular, non-stop 'snackability' of salty snack chips.

Frito-Lay's market research team does not influence the public's taste, she says. Instead, it examines what's there and predicts what's coming.

"We're constantly seeking revelations about consumer behavior and attitudes," says Kish. "We use traditional and non-traditional tools, searching for a deeper understanding of macro trends and latent needs. We're not changing attitudes. We just unearthed the fact that when the public wants something sweet, they don't always want something with a distinct start and end. A thorough examination of consumer needs showed this desire exists, and there are not a lot of existing products to satisfy this need."

This discovery was a key reason behind Frito-Lay's decision to acquire the Cracker Jack brand in 1997. "It was a trademark that was highly recognized and beloved by the public, could benefit from our distribution, and delivers on the bite-size sweet eating experience," says Kish, who attended Wharton on a GM Fellowship while working for Cadillac. "That was a time when going into consumer research was not the norm. Professors Dave Reibstein and Paul Green were two of the people who taught the research courses that really opened my eyes to this choice. They took the idea of research and made it a legitimate discipline of marketing." After graduating, Kish returned to Cadillac as a senior research and forecasting manager and in 1989 took a post at Frito-Lay.

Her staff scours the domestic and foreign marketplace for proof of emerging trends in other snack products. Through in-depth consumer interviews and ethnography – observational research—they target "who the buyer and eater" will be, she says. Part of this task involves tracking consumption behavior to target who uses various snacks. "Understanding the consumer behavior and attitude, we build on our understanding of the consumer opportunity," says Kish, who says one of the perks of her job is that Doritos and Cheetos are never in short supply in the office.

Once trends have been identified, she says, the next step is to sell the concept internally and beat the many



KISH



snack food competitors to the punch of marketing the item to the public. This is no small feat, with an estimated 4,000 new food introductions each year, 1,200 of which are snack foods, says Kish.

The formula seems to work.

With operations in 40 countries, Frito-Lay has grown dramatically. Sales have increased from \$3 billion to \$11 billion over the past decade and the company is regarded as an international snack food leader with a stable of brands including Lay's Potato Chips, Doritos Tortilla Chips, Ruffles Potato Chips and Cheetos cheese flavored snacks. A key ingredient for growth at Frito-Lay, she says, is identifying and

developing new talent. "I take a non-traditional approach to building my team. I blend the background of my staff from different marketing disciplines. Typically, they come with a background in consumer research combined with strategic business knowledge. I'm looking for people with an insatiable curiosity about the consumer and the way things work," she says.

"Secondly, I look for analytic people who actually come from creative backgrounds such as advertising, because they tend to have a strong depth of consumer knowledge and intuition about the consumer in the marketplace. Intuition — people either have it or

they don't — it's hard to train. I've been fortunate to have hired the right mix of talented people. It's a really good marriage of experience for the department because it makes us more creative and persuasive. I also want people in this role to feel that they have some skin in the game. It's not just about providing information. I try to hold the team accountable."

But the team faces its own set of challenges. "What's difficult is that you would think that once you had an insight, that the whole world is going to follow. But it usually takes multiple reinforcements before an idea really clicks with people." ♦



# The Changing Face of America

## Ad Man Ed Wax, WG'61, on Diversity in Advertising

**E**d Wax, WG'61, has always pushed boundaries and taken chances. "I started out as a chemical engineer and went to Wharton to get away from that. I ended up in advertising at age 26. People thought I was nuts," says Wax. After 38 years of success in the merciless world of advertising, 33 of them at the venerable Saatchi & Saatchi, Wax became chairman emeritus of the company in 1998.

"I don't have to live in New York anymore and I can grow a beard," jokes Wax, who now lives with his wife, Carolyn, on Kiawah Island in South Carolina. As chairman emeritus, he represents Saatchi & Saatchi on industry issues, which means he still endures a steady diet of travel, frequent airport holdovers, and lengthy conferences.

Semi-retirement, he admits, is a big switch from his role as CEO at Saatchi & Saatchi, which put Wax at the helm of 161 offices in 91 countries. But far from relax-

ing on the golf course in his spare time, Wax says, his new position has borne fresh opportunities to pursue two causes that have been on his personal agenda for years.

"Education and diversity are things I believe very strongly in," says Wax, who was the first in his family to complete a college degree. "There are two ways to give back – you can write checks and, or, you can give your time. I still like to think that my time is valuable and that's what I choose to give," says Wax, who was named Advertising Man of the Year by the American Advertising Federation in 1993 and the United Jewish Appeal in 1995. Much of his energy now is spent visiting universities like Morgan State and Fisk to talk to students about the ad business.

"When I was chairman of the American Association of Advertising Agencies (AAAA) we jumpstarted the minority issue," says Wax. "In 1994,

one of my colleagues gave a speech and talked about the fact that we weren't very diverse. I thought to myself, here's an opportunity to do something. I made increasing minority employees the central theme of my year," he says.

With the cultural demographics of the United States in such a rapid period of growth and change, it's crucial for the advertising business to ensure that its ranks reflect the changing face of America, says Wax. "We're becoming diverse at such a fast rate, it just makes sense to have a multicultural team of people in agencies. It's the right thing to do, and it's the smart thing to do."

Identifying the most talented people and finding a way to keep them are the challenges the industry grapples with now. "But these are not huge obstacles," he says. "They can be overcome." For example, the AAAA's minority advertising intern program employs 100 interns per



**A**lums danced and dined the night away during Saturday night's reunion dinners, held at the Ballroom at the Ben (class of '96), the Material Culture Design Studio (class of '91), The Inn at Penn (class of '86) and The Inn at Penn (classes of '51 to '81). The weekend concluded with a farewell brunch at the Sheraton Society Hill.



year and plans to double that figure in the next few years.

But retention requires mentoring. “You have to change the agency as well. So it’s a fine line between attracting the talent and then making sure you don’t lose all recruits. You have to make people feel that they’re valued and are an important part of the business,” Wax says.

Agencies everywhere are in the midst of spending freezes and that doesn’t bode well for the next generation of ad men and women. “When I was running agencies, I never stopped hiring young people because they are your future,” he says. “All indications are that by 2050, people of color will account for over 50 percent of our population. If advertisers are going to market effectively we sure as hell better understand how to reach every market.”

Wax admits he was “jumpstarted” himself to the issue after a young, African-American account executive sent



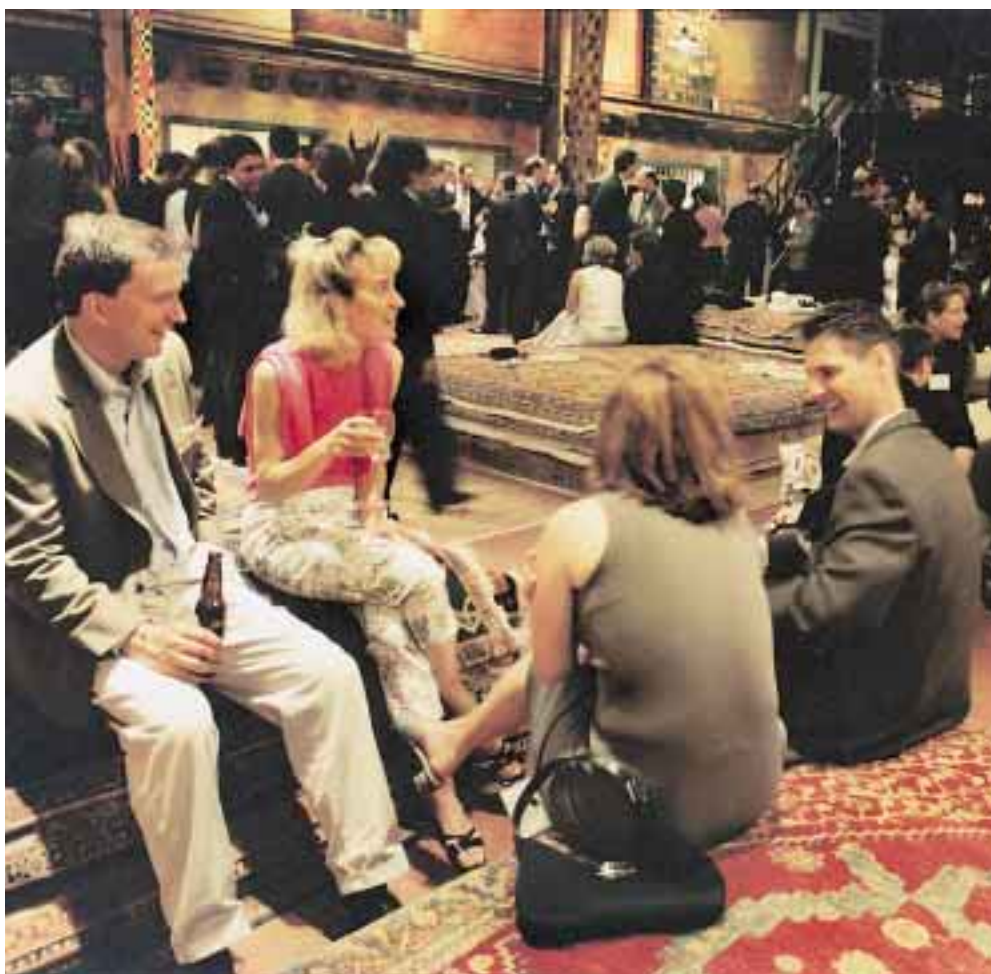
him a memo entitled Diversity 2000 about the urgent need for diversity in the industry. “It was a bold memo clearly pointing out the negative business consequences and lost opportunities if people of color were underrepresented,” recalls Wax.

There are some parallels today, says Wax, to the equality issues that women – hoping to break into the industry – faced in the late sixties. From 1968 through 1971 he was working in the Philippines with ACE Compton which eventually became Saatchi & Saatchi. The agency was one of the first international companies for Saatchi & Saatchi.

“I came in this business when it was predominantly Anglo and I don’t think diversity was a dominant issue then. But over the years, things changed dramatically. I had been in the business for about five years and I was called into question because I brought a woman in as an account supervisor. The first couple of women I hired didn’t make it and management said ‘I told you so’. But it didn’t deter me,” says Wax, who continued to hire qualified women who quickly proved they belonged.

“Once you get the change really going it will happen. We’ve made progress but no one should say ‘aren’t we wonderful’ – we still have a lot to do. I didn’t think it would be an overnight success – you have to seed the garden. The good news today is we’ve made a lot of progress – but not enough. Percentage-wise, the number of professional people of color in the advertising business is equal to the population, but we’re still under 20 percent that’s just not good enough.”

Wax refuses to take credit for much, including the success of such clients as Lexus, Procter & Gamble and British Airways. “I’m on the management side, and the people who created the campaigns deserve the credit. I just supported it and it was my job to find the talent to do it. But I do think it’s easy for management to be afraid to take chances. If I had any advice it would be to take every opportunity you are given. If you’re asked to solve a problem, or to fix something, the chances of you making worse are remote. Anytime I’ve been asked to take on a difficult assignment, I’ve accepted. That job in the Philippines was early in our international career and no one else wanted to go there. Suddenly, I was running a small office in a country that had a bit of a Wild West feel, but it was a great experience. I came back two levels higher and never looked back.” ♦





# Managing During Upheaval

## Julio de Quesada, WG'76, Shaping Citibank's Future

**W**hen Julio de Quesada's plane landed in Mexico City on a March afternoon in 1994, the young-but-seasoned finance executive had just been named president and managing director of Citibank's Mexican division, known as Grupo Financiero Citibank, and was eager to begin his new post.

But de Quesada, WG'76, never guessed the challenges awaiting him or how quickly they would erupt. Within two hours of his arrival, de Quesada heard news that Luis Donaldo Colosio, the presidential candidate for Mexico's ruling PRI party, had been murdered.

"I landed at 4 p.m., and by 6 p.m., I learned that this major event had happened which everyone knew would cause a crisis in Mexico," he recalls. Fortunately, de Quesada, who grew up in Florida as a Cuban exile, had weathered such storms before.

On this politically and financially turbulent stage, de Quesada tapped his experience, and in the process helped shape success for Citibank's future in Mexico. Today, Mexico is one of the bank's most profitable international markets.

Since joining Citibank in 1976, de Quesada has held corporate banking posts in seven countries including cities in Central America, Greece and in Saudi Arabia, where he was the general manager in charge of that country's western region. "I've had to manage crises my

whole career," says de Quesada, now 49. "I went through the whole Gulf War in Saudi Arabia. So, it may sound strange, but when I arrived here and heard about the assassination, my first reaction was 'Whoa, here we go again.'"

Flexibility is something de Quesada learned early in life. Born in Camaguey, Cuba, his family had thrived in the cattle business. But when revolution began in Cuba, the world of the then eight-year-old de Quesada exploded, too. "We had to escape when the revolution came. My father had to go into hiding and we moved to Havana with my mom," he says. The family was placed on a waiting list for the United States. "Every day, for four months straight, we would go to the airport. Then one day, there was one seat available, and my mother said I had to go." Scared, alone and just a boy, de Quesada didn't speak a word of English when he boarded the plane for Florida. "I had my passport and a 25-cent Cuban coin."

Months later, the rest of his family joined him. "We went from being well off to living in a run-down area of Miami. We were very poor," says de Quesada, who reacted to the adversity by excelling in school and eventually earning a scholarship to Brown where he studied engineering. "I see that coin as a symbol of good luck and survival. It's something that has been with me my whole life," he says.

De Quesada had the same Cuban coin with him in Mexico, where 1994's political upheaval seemed another blow in a string of catastrophes. In 1982, a major financial crisis had hobbled Mexico's market resulting in the nationalization of almost all the country's banks. Citibank, established in Mexico in the 1920s, was one of the only private institutions permitted to remain in operation in the country. The government privatized the banking industry between 1991 and 1992. And in 1994, sparked by poor risk management and an increase in non-performing loans, the peso fell sharply against the dollar.

"It was a transition point," says de Quesada. "They were turbulent times."

De Quesada was packed and primed for a long-overdue vacation with his wife, Sabina Pflieger, and sons Julio, Jr., and Felipe, when he received a pre-dawn call from the head of the banking industry. The peso was by all accounts overvalued, government officials told him, and they were devaluing. Mexico's banking system had been in the hands of inexperienced people, de Quesada says. Companies had debt, and people couldn't pay back loans.

"When the peso was devalued, I had been here for a few months. By the time the crisis was hot, we were a significant banking presence. And to the major corporations, our role was pretty firm. The government asked me to go to the international press and say this would be





good for the country. But I told them this would cause a major dislocation in confidence. It was a time of revolution and the economy crumbled," he says.

"I told my wife, 'Let's cancel the trip.' I came to the bank, gathered my folks, and told them we were in the middle of a storm. By mid-day, interest rates shot up and there were phone calls everywhere. There was a complete meltdown."



DE QUESADA

Days blurred into nights. De Quesada spent most of his time in a whirl of communication with Mexico's finance minister and the U.S. authorities including Robert Rubin, Secretary of the Treasury in the Clinton Administration. Ultimately, the negotiations led to a \$20-million bailout plan. "It was late-night meetings, pizza and tacos at three in the morning, and spending weeks without getting home," recalls de Quesada. "But Citibank managed the crisis fine. My role was to be a calm leader and calm my people down. If I had to look back, my biggest achievement was to convince the corporate leaders to stay the course and be a partner in Mexico for the long term," he says. "I used various arguments – one was that we were a neighbor to the United States, and it would be in their best interest to do something to help."

In spite of its deep problems, he says, there were many good things about the Mexican economy. "There were a lot of resources, a young population and capa-

ble government officials who could work through this," he says. With the help of the bailout package the financial industry was able to survive and thrive.

"I had some experience with Citibank overseas in challenging political situations so I think I was training for this all along without knowing it," he says. "The Mexican banking system has emerged stronger."

In addition to purchasing a Mexican retail bank with over 250 branches, Citigroup gradually has expanded from a niche corporate bank to a sizable, broad-based financial institution. The company, which offers a wide range of products including mutual funds, branch banking, corporate finance, pension fund management, trade finance and investment banking, plans continued growth. "We're sort of a supermarket of products in Mexico," he says. De Quesada is also proud of orchestrating the start of a pension fund business for Citigroup, called Garante, which today has two million customers. ♦

# Keeping TRACK OF THE Joneses

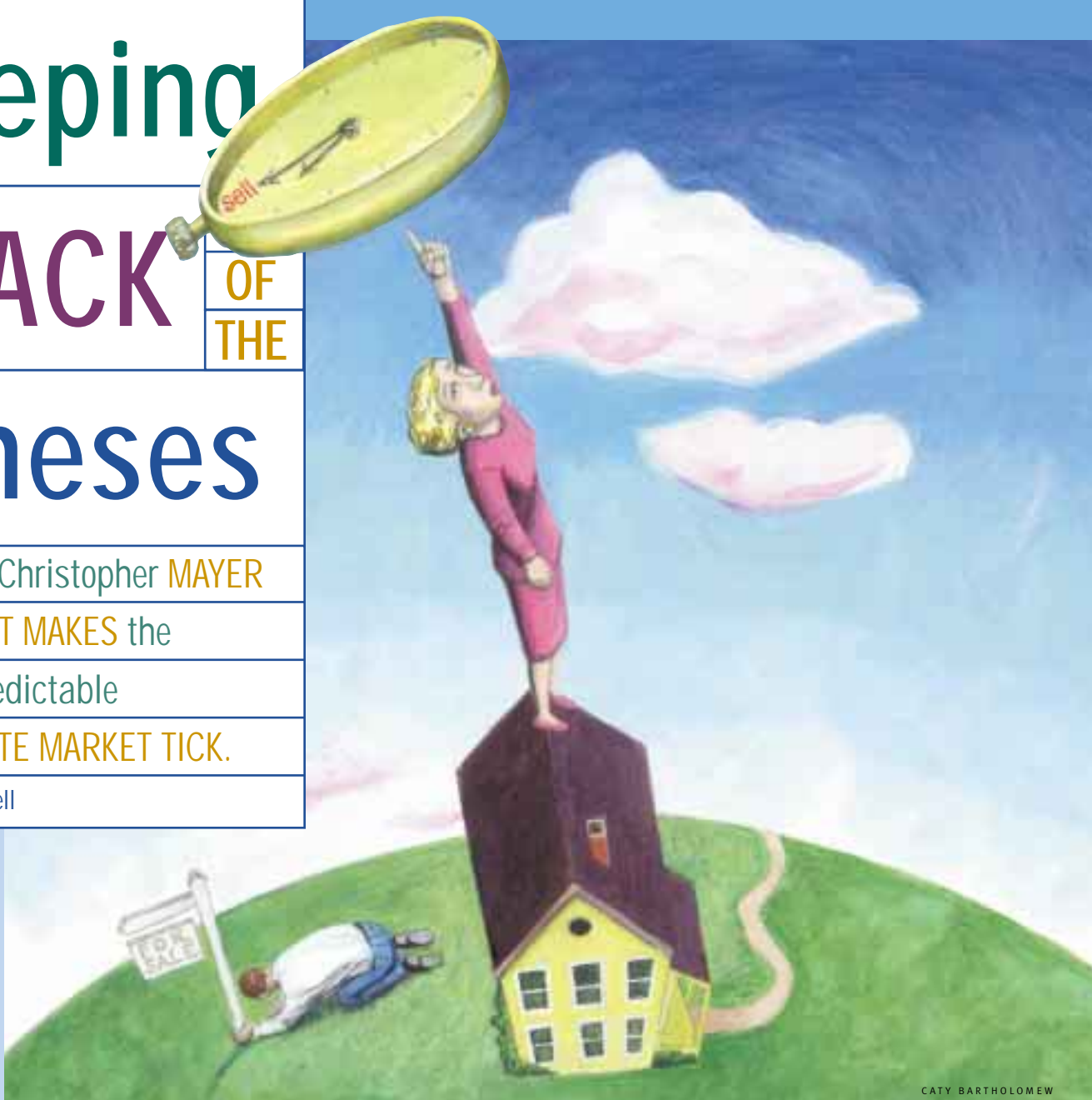
Wharton's Christopher MAYER

MAPS WHAT MAKES the

Ever-Unpredictable

REAL ESTATE MARKET TICK.

By Kate Campbell



CATY BARTHOLOMEW

**While** many real estate markets across the country are hearty, signs of a decline dot the horizon in places like Manhattan and San Jose, which were among the hottest markets only a few years ago, says Wharton real estate professor Christopher Mayer. The reasons for such complex fluctuations in the market vary, he says, but that does not mean they can't be researched, defined and ultimately charted for a more productive industry. And inefficient markets, he says, often present the best investment opportunities.

"When we're experiencing a boom market, it can make sense to price aggressively," says Mayer, who along with colleague David Genesove co-authored "Loss Aversion and Seller Behavior: Evidence from the Housing Market" for an upcoming issue of the *Quarterly Journal of Economics*. "Even if your house stays on the market a little longer. After all, the goal is not necessarily to sell to the first buyer who shows up, but to the buyer who is willing to pay the most. And if you sell before many buyers have had the chance to see your house, you are missing out on potentially high bids."

Mayer was an MIT doctoral student in economics in search of a dissertation topic when he stumbled on his true

calling. While living in a cramped apartment in Cambridge, Mass. in 1990, Mayer and his wife, Melissa Bilski, began house hunting for their first home.

He recalls being stunned as he learned more about how housing markets work. While there were plenty of houses for sale in 1990, many appeared to be overpriced. The economy was floundering, but sellers were not getting the message: asking prices weren't falling, despite slack demand. In addition, there was almost no information to help buyers make the daunting task easier.

"My wife and I were about to make the single largest investment of our lives and I wanted to know more about



what I was getting into. Was this going to be a good or a bad price to pay?" says Mayer

The experience made Mayer curious about how people think about their homes as an investment, when they decide to sell or buy, and what factors they consider before making these decisions. He discovered that, unlike the stock market, the real estate market operates in a bit of a vacuum, with only outdated, often inaccessible or unexamined data to provide clues.

"Even today, with the expansion of information available on the web, investors can find out far more about the right price on a \$20 stock than they can know in buying a \$500,000 house. I felt like most people had fundamentally little idea of what they were doing."

In the end, Mayer wrote his dissertation on real estate auctions.

"I was interested in how the auction functioned in getting buyers and sellers together in a room to agree on prices. It was during a time when I was trying to understand the behavior of the real estate market. Watching the market collapse in Boston, I saw properties sell really cheap at these auctions. But I didn't have any money so I tried to convince my dad to invest with me. He wasn't ready."

So instead of becoming a real estate investor, Mayer took a job as an economist at the Federal Reserve Bank of Boston. But he decided to commit to studying what makes the real estate market tick and how people react to those changes. Those early, accidental days of discovery in Boston were intriguing to Mayer, and he hasn't lost his zeal to decipher real estate markets and improve the function of the real estate industry.

"I love my job. I think of being a professor as being an entrepreneur in ideas. Generating interesting ideas is a sign of being successful," says Mayer, an associate professor who teaches MBA and undergraduate classes in real estate finance and investment. "Being around students is wonderful. Teaching is a good way to learn, especially given the high level of talent at Wharton," says Mayer, an avid marathon runner who runs between 20 and 40 miles a week.

Mayer and his wife, who now have a one-year-old daughter, Jocelyn, and live in suburban Philadelphia, ended up following their instincts back in those early house-hunting days. Buying in 1990, the peak of the Boston housing market, the couple moved into a three-bedroom, one-bath starter in Wakefield, a suburb 20 minutes from Boston. "We fixed it up and lived there for four years."

Timing is everything in real estate, Mayer has come to learn.

In retrospect, the couple would have been better served to wait before buying their first house. "But at the same time, we would have still had to live in our Cambridge apartment." Most buyers and sellers must weigh similar options of convenience and necessity when they decide to move.

"It's a weird business," he says. "People often seem to make systematic mistakes in selling their house. In boom markets, such as Silicon Valley or Manhattan in the last couple of years, sellers regularly under-price their homes. Properties routinely sell well above their asking price and are on the market for hours rather than days. Yet in busts, such as Boston in the early 1990s, houses would often sell 20 percent or more below asking prices."

And many houses, Mayer says, never sell at all.

Data he collected during the Boston real estate bust shows that up to two-thirds of houses on the market were eventually withdrawn without selling. Sellers would often be better off pricing more aggressively, raising prices in booms, says Mayer, but lowering their asking prices in busts.

So why don't sellers price their houses more appropriately?

Mayer's research focuses on three explanations: equity constraints, loss aversion and the poor use of information in the market. Equity constraints emerge when the value of the house falls below the mortgage amount and a seller has negative equity. "This is one of the factors that discourages people from liquidating their house in a down market. Let's say you bought your house two years ago at \$200,000 with a \$20,000 down payment. But prices fall 25 percent and now your house is worth \$150,000. Rather than writing a \$30,000 check to the bank at closing, or defaulting on the mortgage and facing severe credit problems in the future, sellers tend to set high asking prices and hope that a buyer comes along who really likes their house," says Mayer.

Nonetheless, even sellers with very low mortgages appear to over-price their houses in busts. To explain this phenomenon, Mayer points to loss aversion, which quite simply means that people are averse to realizing losses on their investment. "Here I emphasize the aversion to *realizing* a

"My wife and I were ABOUT TO MAKE the single  
LARGEST INVESTMENT of our lives and I wanted to KNOW  
MORE about what I was getting into. Was this going  
to be a GOOD OR A BAD PRICE to pay?" says Mayer.

loss. When house prices fall, all owners lose money no matter how much they paid for their house originally. However, sellers who once paid more money for their house than it is now worth are much more reluctant to sell than an owner who bought when house prices were low."

As housing prices tumble, more owners suffer losses and thus fewer houses end up selling, Mayer's research shows. This may help explain why so few houses sell in bust markets, when sales decline by 50 percent or more, he says.

"There's growing evidence of loss aversion in many areas, from individual stock investors to professional traders and real estate investors, but loss aversion is even more pronounced in housing markets." Behavioral economists

attribute loss aversion to a psychological attachment to one's own investment. And what investment could be personal than one's home, Mayer asks.

Ultimately, loss aversion has real costs.

Sellers who choose not liquidate their home for a loss may have to turn down a good job in another city or remain in their cramped home another year as their kids grow. In addition, tearing up stakes in a down market often offers a good opportunity to "trade-up" at low prices. Owners who stay in their houses to avoid realizing a loss also surrender the opportunity to buy in a down market.

The third factor recognizes that sellers also seem to mis-price houses during boom markets, when loss aversion and equity constraints don't apply. This is where Mayer's research hones in on the lack of credible information on the real estate market.

"Real estate prices often seem to be based on old data rather than future expectations," he says. "Sellers will look at comparable properties that sold six to 12 months earlier for guidance on the market value of their property."

This could explain why asking prices dip so low during booms when prices have been rising quickly, but are so high when past prices were falling. "Yet we teach our students that asset prices should be based on expectations about the future rather than observation about the past. Stock market analysts value companies based on the expected growth of earnings in the future, not past performance."

So just how can a seller better price their home?

For starters, Mayer says, people can adjust the prices of comparable properties to reflect changes in the market. "If a comparable property sold six months ago, but prices have risen by 10 percent since the sale, the seller should raise their listing price at least 10 percent to reflect current market conditions."

Sellers can use price indexes to help make these adjustments in much the same way that consumers use the price index to adjust for

inflation or a stock market index to measure the performance of the equities market.

But, he admits, it's tough to find a local price index for a town or neighborhood.

Given the enormity of the real estate market, this puzzles Mayer. The Federal Reserve reports that the value of all real estate in the U.S. is similar to the value of the stock market.

Yet there is very little information available about houses relative to stocks. There are a number of factors sellers can use, he says, to gauge where the real estate market is headed in the near term.

Real estate prices are often slow to adjust to changes in the overall economy. A potential seller should look at indicators such as the number of sales and time on the market. Trends including houses that sit on the market longer, and a decline in the number of sales in a neighborhood, are indicators that prices in the future are likely to fall relative to past trends. A

**"The WORST THING you can do as a seller is OVERPRICE YOUR HOUSE at the beginning of a downturn and then continue to FOLLOW THE MARKET DOWN, with a lag each time," says Mayer.**

sharp downturn in local economic conditions, he says, means sellers can anticipate lower real estate prices, but with a lag.

"At times like these, sellers should try to stay ahead of the game. The worst thing you can do as a seller is to over-price your house at the beginning of a downturn and then continue to follow the market down, with a lag each time," says Mayer.

What else does Mayer see for the future?

"I think eventually the real estate industry will figure out how to use the abundant information about housing markets more effectively. Brokers typically do not adjust their pricing based on the profitability of their listings. This was also true of banks 10 years ago. Since then banks have looked carefully at their most profitable customers and adjusted their prices accordingly. Brokers might do the same calculation and compete for sellers whose houses have a low cost to sell or are expected to sell quickly. The industry should also use the abundant information available to them to address basic issues such as the trade-off between asking price and time on the market."

Meanwhile, real estate markets continue to provide lots of room for future research.

Real estate occasionally lacks the sizzle of more popular fields of study, Mayer concedes. But its uncharted complexity continues to attract him.

"Housing in this country is 25 to 30 percent of the net worth of the United States. It's a \$10 trillion-plus market. And as many puzzles as there are about housing, we know even less about commercial real estate markets, worth more than \$4 trillion. This is just a very important field," he says. "For most Americans, their house is the single largest investment that they will ever make and is the primary means of saving for the future. Investable real estate represents about one-third of the value of corporations. I think it will be a long time before we really understand why real estate markets operate the way they do." ♦

MAYER



JERRY MILLEVOI



# Wharton

THE CAMPAIGN *for*

SUSTAINED

## Leadership

# Advancing the Frontiers of Business Education

**D**istinguished faculty, great students and good infrastructure are the three things that make Wharton tick,” says Dean Patrick Harker. “Students come here to learn the latest ideas *as they’re being created*, not five years later after they get into a textbook,” he observes.

Staying ahead of the curve to remain a top-ranked business school, therefore, means complementing traditional classroom teaching with new educational and technological initiatives. Inspired programming, however, takes substantial financial support. For this reason, gifts to the Dean’s Initiative Fund – which can be used to fund new challenges and initiatives – are essential for the creativity and competitiveness of the School and for the success of the Campaign for Sustained Leadership.

Without startup funds from the Dean’s Initiative Fund and its remark-

able benefactors, innovative programs such as Knowledge@Wharton, the Wharton eBusiness Initiative (WeBI) and Wharton West might not have been possible.

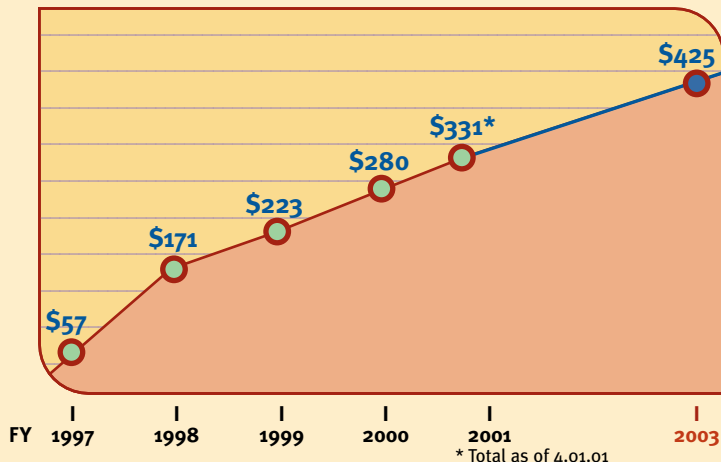
According to **Jean-Pierre Rosso, WG’67**, Chairman and CEO of CNH Global, “one should recognize to what and whom you owe your success.” In his continuing efforts to give back to the School, Rosso made a contribution to the Dean’s Initiative Fund. Rosso’s contribution, from the Jean-Pierre Rosso Charitable Trust, affords Wharton the flexibility to create the programs and facilities

“I definitely hope that I’m able to **give back** to the School, perhaps through **donations**, or maybe through **my time**. I think that my experience has really been the capstone of **my education**, and I can’t imagine not wanting to **stay connected** with the School into **my career**, and into my later years.”

– NICOLE DAVISON, W’01

### Campaign Progress

Dollars in Millions



Individual alumni are not alone in recognizing Wharton's quality of education. Corporate executives who know the necessity of keeping track of dynamic business trends acknowledge the School's value to the business world. According to Tom Piazza, director of Wharton's Office of Corporate and Foundation Relations, Wharton can provide knowledge to keep corporations on the cutting edge. He stresses, however, that the School's ability to provide this key component is dependent upon having sufficient resources and funding "to stop on a dime and shift – to adjust priorities to meet industry needs." Piazza is also quick to point out that this is an *exchange* of ideas; these same companies who support the School financially also contribute to and stimulate the knowledge that Wharton produces. In fact, Wharton-corporate partnerships frequently serve as catalysts for many new initiatives.

Merrill Lynch, known across the globe for its investment banking, brokerage, investment and asset management services, is one firm making Wharton work for them. Carlos Valle, W'81, Managing Director, Global Business Head Recruiting and Relationship Manager for the Wharton School, stresses that "there's great affinity in terms of core competencies – on the technical, interpersonal and cultural sides – between the School and the firm." This affinity is one of the reasons Wharton is the largest source of career employees for Merrill Lynch; 400 Wharton alumni represent Merrill Lynch worldwide. He explains that Merrill Lynch benefits by having employees participate in the Wharton programs that the firm supports.

Merrill Lynch is a sponsor of Knowledge@Wharton, and Merrill Lynch's employees have access to Knowledge@Wharton as part of the firm's professional development programs. This sponsorship complements another key Wharton initiative. The firm recently made a significant gift to the School's Financial Institutions Center. The Center's pioneering financial services research, notes Valle, will also be available to Merrill Lynch employees via Knowledge@Wharton. Wharton and Merrill Lynch have partnered to create an innovative executive education sequence. Valle explains that globally promoted analysts participate in a 4-week "boot camp" at Wharton designed to replicate the curriculum and experience of a second-year Wharton MBA program.

When speaking of the need for a Wharton-Merrill Lynch partnership, Valle asserts that it's key for corporations dependent upon Wharton for knowledge and talent to give something back. He stresses that since Merrill Lynch benefits from its partnership with Wharton on many levels, the School should be supported in just as many ways. "The ties that bind are very strong, so we view it as an ongoing commitment – at an institutional level and on an individual level." ♦

necessary to push the School and its students, faculty, and alumni to the frontier of business education and industry worldwide.

Rosso stresses that "the Dean and the administration are in the best position to know what's right for the School and what the top priorities are. Discretionary gifts provide the Dean with the flexibility he needs."

Rosso is also dedicated to the School in other important ways; he gives his time as a member of the Wharton Board of Overseers and is a recent appointee to the Board of Governors of the Joseph H. Lauder Institute of Management and International Studies.

Rosso is not alone in his dedication to the School. Grateful for the many opportunities he received at Wharton, **Joseph Zimmer, WG'79**, is "eager to see the School continue its high standards and sustain its place of excellence among business schools. Making a financial contribution, therefore, is a way for me to give something back." Wharton's strengths are evident to Zimmer on the recruiting trail, as well. As Managing Director for Goldman Sachs, he states that "having recruited at every major business school, I find that Wharton students are the best prepared in terms of having the skill set, judgment and enthusiasm to succeed."

Giving to the Dean's Initiative Fund ensures that Zimmer's contribution goes where it's most needed: "I have enormous respect for the Dean and feel that his judgment – being closest to the situation – is the most relevant in terms of utilizing the funds."

Zimmer also maintains his relationship with the School in other ways, such as contributing to the development of Wharton Professor N. Bulent Gultekin's course in advanced corporate finance. His other philanthropic endeavors include serving on the board of the Student/Sponsor Partnership, an organization providing at-risk youth in New York an opportunity to attend non-public high schools.

**Ruthann Quindlen, WG'83**, is another graduate committed to supporting the School's forward

momentum. She and her husband and business partner David Liddle also gave to the School via the Dean's Initiative Fund. A member of the Western Region Gifts Committee, Quindlen is committed to the School's innovative programs, and is especially excited about strengthening Wharton's presence on the West Coast. As an alumna who commuted to Wharton's Philadelphia campus from Washington, DC, Quindlen knows first-hand that the Wharton brand has the power to draw top students from around the country and around the world.

In a recent IT Radio Network interview about investing, Quindlen stated that "the objective becomes putting the venture money – the smart money – right in the path of the oncoming, speeding locomotive." She believes that giving to the Dean's Initiative Fund, which provided start-up funds for Wharton West, is doing just that. Quindlen, venture capitalist and author of the highly regarded book, *Confessions of a Venture Capitalist*, is glad that she and Liddle can help fuel the Wharton train.

## Wharton West

The School has launched a satellite campus on the West Coast with dollars initially provided by the Dean's Initiative Fund. Wharton West will provide executive MBA programs, executive education programs, faculty



research and student internships from its San Francisco location, and is a direct response to market changes in



## Wharton eBusiness Initiatives (WeBI)/eFellows

the United States. "The growth in the West Coast business base has continued unabated for a number of decades. It is much deeper than the dot-com industry," explains Bob Mittelstaedt, vice dean and director of Wharton's Aresty Institute of Executive Education. Wharton West is also a response to faculty and student demand: many faculty are already doing research with West Coast companies and Wharton students want to be where the action is. "Our students want to spend time understanding growth industries first hand," Harker remarks. Thirty percent of last year's MBA class headed out West after graduation. Wharton alumni are also a strong presence there, with more than 8,000 Wharton graduates calling the West Coast home.

The idea of Wharton West grew from a discussion of international options for the Wharton brand. Mittelstaedt notes that many schools were looking abroad, but California was virtually being ignored. "If California were on its own, it would be the sixth largest economy in the world. As such, it contains a large concentration of untapped business and education potential." For these reasons, Wharton West is illustrative of an ideal reason to give to the Dean's Initiative Fund: "It's a one-of-a-kind opportunity to practice what we preach, and to be part of something as it grows from the ground up," says Mittelstaedt.

The first Wharton West executive MBA student to be accepted to the program – and the first West Coast student to forego the long commute to Philadelphia – is John Balczewski, a San Francisco resident and senior analyst at Chevron. He is eager to start his first WEMBA session in August 2001. Balczewski researched other schools, but was drawn to Wharton by its clear distinction of experience, diversity and pedagogy. "I don't want to sit passively and absorb, and since two years is a big investment in time and money, I'm looking forward to it being two years of 'I can't wait to get to class'."

For more information on Wharton West and WEMBA, visit Wharton Now <<http://www.wharton.upenn.edu/whartonnow.html#whartonwest>>.



Like Wharton West and its traditional MBA counterparts, the Wharton eBusiness Initiative (WeBI) is taking risks and creating new models for the future of e-business research and management education. WeBI is a partnership among business leaders, Wharton faculty and students to generate and disseminate new knowledge about e-business through research, academic programs, and strategic corporate partnerships. As part of this integrated response to challenges brought about by e-business, Wharton has created the Wharton Fellows in eBusiness (or eFellows) program.

"A unique hybrid of online and in-person exchanges," according to Neil Neveras, director of the eFellows online community, the eFellows program prepares senior executives from old-line and online firms to be "change agents" and lead the e-transformation of their organizations. The program begins with three live sessions over a three-month period in diverse parts of the world. Between sessions, participants work on team projects and interact within a virtual community. At the program's close, participants are inducted into the Society of Fellows and join a lifelong learning community of faculty and eFellows working collaboratively to identify emerging e-business issues,

"It starts with the Wharton faculty.

That is what separates this program from others. Equally important is the excellent mix of participants. It's clear that Wharton carefully selected each member of the class. Then there are visits to companies and learning from industry leaders around the world. Wharton gives you access to multiple perspectives – to the best and latest thinking – like no other place on earth."

– WHARTON FELLOW EVAN SHELAN,  
CEO, FOREX SOFTWARE

develop deep knowledge and create educational innovation. "The beauty of this integrated effort is that eFellows' real-world issues filter back to WeBI and influence curriculum research and development," Neveras asserts.

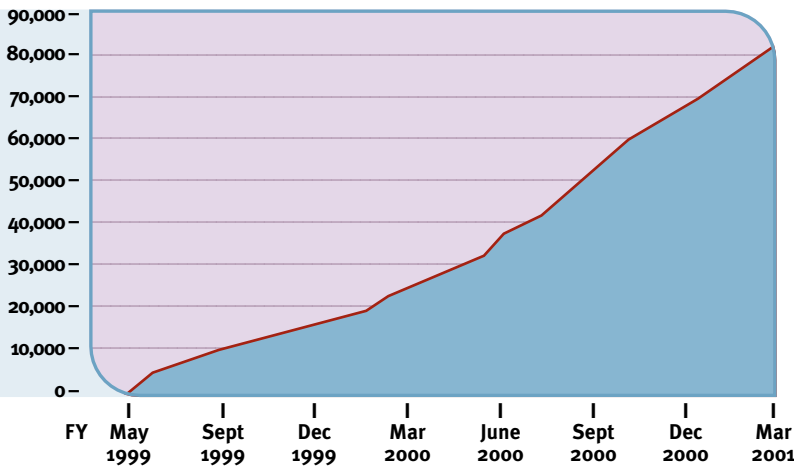
For more information visit WeBI <<http://webi.wharton.upenn.edu>> and eFellows <<http://efellows.wharton.upenn.edu>>.

The online information resource Knowledge@Wharton ([knowledge.wharton.upenn.edu](http://knowledge.wharton.upenn.edu)) dovetails with Wharton's cutting-edge curriculum. Updated every two weeks to offer the timeliest business-related content, "Knowledge@Wharton is the School's primary resource for knowledge capture and dissemination," states director and editor Mukul Pandya. It provides industry leaders and students alike with

access to articles, industry analyses and book reviews; a searchable database helps users customize their Knowledge@Wharton experience. Knowledge@Wharton continues to grow due to industry sponsorship. "Corporate sponsorship is an alignment of brands," Pandya notes, "allowing top corporations to put their names alongside the Wharton brand." Current sponsors include GE Capital, Ford

Motor Company, Intel, Merrill Lynch and McKinsey & Company. With a user-base that has increased dramatically since its inception in May 1999, Knowledge@Wharton provides sponsors with visibility and access to alumni worldwide. Today nearly 100,000 registered users from 172 countries frequent the site, and favorable reviews continue to roll in. ♦

**Knowledge@Wharton**  
Registered User Growth



"This is a truly brilliant site. The links are clear and easy to follow, you give enough information to allow the browser to decide whether to pursue a link or not, the use of abstracts is great, and the graphics are a nice complement and not a slow-loading annoyance. Bravo! You've earned a bookmark from me!"

— A RECENT SUBSCRIBER

## Strength in Numbers: the Wharton Fund Journey Continues

The Wharton Fund continues to march toward its \$6-million goal one donor at a time. Each unrestricted gift helps support student aid, faculty research and technological advances. Reunion classes, which provide more than a third of the Wharton Fund total, are vital to the Wharton Fund's success. This year, alumni who graduated in years ending in "1" and "6" congregated during the weekend of May 18-20 for an exciting Alumni Reunion Weekend. See further coverage of Alumni Reunion Weekend 2001 throughout this issue of the magazine. For more information, please contact the Wharton Fund at 1.800.400.2948. ♦

**Wharton Fund Dollars**  
FY'98-FY'01, Dollars in Millions



\* Total as of 4.30.01



# Global.Wharton.Connections

## **Address Update**

Moving to a new location? Changing jobs? Notify Alumni Affairs 215.898.8478 (phone), 215.898.2695 (fax), or e-mail at [alumni.affairs@wharton.upenn.edu](mailto:alumni.affairs@wharton.upenn.edu)

## **Lifelong E-mail**

A lifelong e-mail address is a single e-mail address you can use throughout your career, even as you change jobs. All mail sent to your lifelong e-mail address is forwarded to your existing work or personal e-mail address. To register online for lifelong e-mail, visit WAVE at [wave.wharton.upenn.edu](http://wave.wharton.upenn.edu)

## **Career Services**

Interested in making a career change or researching other job opportunities in your industry? MBA Career Management offers several ways to assist you. Contact them at 215.898.4383 or at online at [mbacareers.wharton.upenn.edu](mailto:mbacareers.wharton.upenn.edu) For information on undergraduate alumni career resources, call 215.898.3208.

## **Clubs**

Network with alumni in your area and take advantage of opportunities to attend speaker events, seminars and club programs. A complete listing of clubs appears in each issue of the *Wharton Alumni Magazine*. Contacts and a calendar of events can be found on our alumni web site at [www.wharton.upenn.edu/alumni.html](http://www.wharton.upenn.edu/alumni.html)

## **Fundraising/Development**

Support Wharton's future by making a gift to The Wharton Fund. Get more involved by encouraging your Wharton friends to do the same, or by offering your marketing expertise to the school. Call 215.898.7868 or e-mail The Wharton Fund at [waf@wharton.upenn.edu](mailto:waf@wharton.upenn.edu)

For those interested in planned giving, contact Greg Wolcott, director of gift planning, at 1.800.400.2948 or via e-mail at [wolcottg@wharton.upenn.edu](mailto:wolcottg@wharton.upenn.edu)

## **Executive Education**

Stay current and build on your success through courses offered by the Aresty Institute of Executive Education. For information, call 215.898.4560 or e-mail [execed@wharton.upenn.edu](mailto:execed@wharton.upenn.edu). Online information is available at [www.wharton.upenn.edu/execed](http://www.wharton.upenn.edu/execed)

## **Admissions**

For undergraduate admissions information, call 215.898.7507 or e-mail: [Info@admissions.ugao.upenn.edu](mailto:Info@admissions.ugao.upenn.edu). Our web site is [www.upenn.edu/admissions](http://www.upenn.edu/admissions)

Children of alumni may schedule on-campus interviews by contacting the Alumni Council at 215.898.6888.

For MBA admissions information, call 215.898.3430 or e-mail [mba.admissions@wharton.upenn.edu](mailto:mba.admissions@wharton.upenn.edu). Online, visit [www.wharton.upenn.edu/mba](http://www.wharton.upenn.edu/mba)

For PhD admissions information, call 215.898.4877 or visit [www.wharton.upenn.edu/doctoral](http://www.wharton.upenn.edu/doctoral)

## **Wharton Admit Network**

Get involved in the admissions process by interviewing prospective students worldwide. Alumni volunteers should contact MBA admissions at 215.898.3430

## **Library Services**

Access the wealth of resources that the Lippincott Library provides to alumni. Check out the Library's homepage at [www.library.upenn.edu/lippincott](http://www.library.upenn.edu/lippincott) or contact the circulation department at 215.898.7566

## **University Bookstore**

Wharton is everywhere – on pens, sweatshirts, T-shirts, key rings and more. To order Wharton insignia products, call 215.898.7595, or browse through the mail order catalog featured at [www.upenn.edu/bookstore](http://www.upenn.edu/bookstore)

## **Knowledge@Wharton**

Stay informed of Wharton research, faculty, conferences and speakers. Browse Wharton's free business Web site, Knowledge@Wharton, at [knowledge.wharton.upenn.edu](http://knowledge.wharton.upenn.edu)

Knowledge@Wharton provides insight on issues ranging from finance, general management and marketing to e-commerce and business ethics. The site is updated with new in-depth features every two weeks and includes analyses of business trends and current events, interviews with industry leaders and Wharton faculty, articles on recent business research, book reviews, conference reports and hyperlinks to related sites.

## CLUB PRESIDENTS AND REGIONAL REPRESENTATIVES

### UNITED STATES

**ALBANY:** Richard Cunningham, WG'62  
181 Pinewood Avenue, Troy, NY 12180  
B: 518.273.3822, F: 518.273.1566

**ATLANTA:**  
**Bruce A. Hauptfuhrer, WG'94**  
Zeliff Wallace Jackson Investment  
Counsel, Suite 2050, 1100 Peachtree  
Street, NE, Atlanta, GA 30342  
B: 404.873.2211, F: 404.873.6424  
E-mail: mainleader@aol.com  
URL: www.whartonatlanta.com

**AUSTIN:** Christine Schiller, WG'00  
Dell Computer Corporation  
One Dell Way, Round Rock, TX 78682  
B: 512.708.1702  
E-mail: christine\_schiller@dell.com

**BALTIMORE:**  
**Gregory Paranzino, W'86**  
Alex Brown & Sons, Inc, One South Street,  
MS-1-13-2 Baltimore, MD 21202-3220  
B: 410.895.2290  
E-mail: pennbalt@aol.com

**BOSTON:** Jay Gardner, WG'85  
Geac Computers, Inc.  
Box 5150, 9 Technology Drive  
Westborough, MA 01581-5150  
B: 508.871.6936, F: 508.871.6850  
E-mail: jayg@geac.com  
URL: www.whartonboston.com

**CALIFORNIA - NORTHERN**  
**Jeffrey L. Goodman, WG'96**  
325M Sharon Park Drive, Box 331  
Menlo Park, CA 94025  
B: 650.574.1055, F: 650.574.1056  
E-mail: jeff.goodman@wharton.upenn.edu  
URL: www.whartonclub.com

**CALIFORNIA - SAN DIEGO:**  
**Ellen Chang, WG'98**  
10124 Wateridge Circle, #111  
San Diego, CA 92121  
B: 619.847.1343  
E-mail: ellen@aviara-inc.com

**CALIFORNIA - SOUTHERN:**  
**Tama Smith, WG'90**  
Tama Smith & Associates Inc.  
1800 Century Park East, Suite 600  
Los Angeles, CA 90067  
B: 310.229.5951  
E-mail: tsmith@tsassociates.com

**CHICAGO:** John E. Hannsz, WG'75  
Wharton Club of Chicago  
P.O. Box 965, Westmont, IL 60559  
B: 847.256.0733  
E-mail: hannsz@aol.com

**CLEVELAND:** Herb Braverman, W'69  
Walter & Haverfield, 50 Public Square  
1300 Terminal Tower, Cleveland, OH  
44113-2253  
B: 216.781.1212, F: 216.575.0911  
E-mail: HLB@Walterhav.com

**COLORADO:** Mark J. Johnson, WG '86  
9309 South Lark Sparrow Trail Highlands  
Ranch, CO 80126-5230  
B: 303.470.7942  
E-mail: mjj10@aol.com  
URL: www.whartoncolorado.com

**DALLAS:** Bruce Aranoff, W'78  
President, Aranoff Interests  
2720 Royal Lane, Suite 228  
Dallas, TX 75229-4724  
B: 972.620.8854, F: 972.620.8868  
E-mail: sez2975@worldnet.att.net

**ENTREPRENEURIAL:**  
**Robert I. Herzog, WG'95**  
Wharton Entrepreneurial Club, c/o  
The New York Club, P. O. Box 297-006  
Brooklyn, NY 11229-7006  
B: 212.962.7777 ext. 143  
E-mail: robert.herzog.wg95@wharton.  
upenn.edu

**EVENING SCHOOL:**  
**Gary Lindauer, W'92**  
Fidelity Graphics, 238 Holmes Road  
Holmes, PA 19043-1590  
B: 610.586.9300, F: 610.586.6600  
E-mail: glindauer@juno.com

**HARTFORD:** Ralph E. Little, III, WG'87  
22 Pearl Street, Noank, CT 06340  
B: 860.572.0149, F: 860.572.0327

**HEALTH CARE:**  
**Phillip G. Schrodell, WG'73**  
ECG Management Consultants  
401 Edgewater Place-Suite 640  
Wakefield, MA 01880-6210  
B: 781.246.2900, F: 781.246.2016  
E-mail: Pschrodell@ecgmc.com  
URL: www.whartonhealthcare.org

**HOUSTON:** Jon Zagrodzky, WG'94  
McKinsey & Company, Inc, 2 Houston  
Center, Suite 3500, Houston, TX 77010  
B: 713.650.1299, F: 713.650.1050  
E-mail: jon\_zagrodzky@mckinsey.com

**LONG ISLAND:** Adam Weisman, WG'78  
Deloitte & Touche, 2 Jericho Plaza  
Jericho, NY 11753  
B: 516.935.9000, F: 516.935.9056  
E-mail: Mailbox@LIWhartonclub.com

**MICHIGAN:** Jay Hansen, WG'85  
The Oxford Investment Group, Inc  
2000 North Woodward, Suite 130  
Bloomfield Hills, MI 48304  
B: 248.540.0031, F: 248.540.7501  
E-mail: jhansen@oxinvest.com

**MINNESOTA:** Brian MacDonald, WG'90  
4312 Abbott Avenue South  
Minneapolis, MN 55410  
B: 612.836.0701, F: 612.397.9953  
E-mail: bmacdona@citilink.com

**NEW YORK:** Nigel Edelshein, WG'93  
The Wharton Club of New York  
P. O. Box 297-006  
Brooklyn, NY 11229-7006  
B: 212.535.2947, F: 212.535.5385  
E-mail: nigel.edelshein.wg93@wharton.  
upenn.edu  
URL: www.whartonny.com

**NORTH/SOUTH CAROLINA:**  
**Diana Poulos, WG'92**  
Bank of America, NC1-022-17-01  
201 N. Tryon Street, 17th Floor  
Charlotte, NC 28255  
B: 704.388.1891, F: 704.386.1932  
E-mail: diana.poulos@bankofamerica.com

**PHILADELPHIA:** Thomas Culp, WG'74  
c/o Maureen Waddington  
P.O. Box 731, Conshohocken, PA 19428  
P: 610.828.7915, F: 610.828.6825  
E-mail: tccjr@aol.com  
URL: www.whartonclub.org

**PHOENIX:** Gil Laks, WG'94  
655 W. Sierra Madre Avenue  
Gilbert, AZ 85233  
B: 480.539.7191, F: 480.539.7102  
E-mail: Gil\_Laks@hotmail.com

**PITTSBURGH:**  
**Contact: Wharton Alumni Affairs**  
3733 Spruce Street, 344 Vance Hall  
Philadelphia, PA 19104-6360  
B: 215.898.8478, F: 215.898.2695  
E-mail: alumni.affairs@wharton.upenn.edu

**PORTLAND:** Mike Barr, WG'82  
Meta Mergers & Acquisitions  
3220 S.W. First Avenue, 2nd Floor  
Portland, OR 97201  
B: 503.827.7021, F: 503.827.6300  
E-mail: mbmeta@ibm.net

**PRIVATE EQUITY NETWORK:**  
**Dean E. Miller, WG'99**  
PA Early Stage Partners 435 Devon Park  
Drive, Suite 510 Wayne, PA 19087  
B: 610.254.4237, F: 610.254.4240  
E-mail: dmiller@paeearlystage.com

**SOUTH FLORIDA:**  
**Yasmine B. Zyne-Coleman, W'76**  
Office Depot, Inc., 2200 Old Germantown  
Road-Mailcode 31B4061, Boca Raton,  
FL 33445  
B: 561.438.4061, F: 561.438.1639  
E-mail: yzyne@officedepot.com

**VERMONT:** Thomas S. Leavitt, WG'82  
Merchants Bank, 275 Kennedy Drive  
South Burlington, VT 05403  
B: 802.865.1859, F: 802.865.1891  
E-mail: tleavitt@mbvt.com

**WASHINGTON, DC:**  
**Alan Schlaifer, W'65**  
Wharton Club of Washington  
8200 Wisconsin Avenue, Suite 616  
Bethesda, MD 20814  
B: 301.951.0117, F: 301.951.8450  
E-mail: DCWharton@aol.com  
URL: www.whartondc.com

**WESTERN WASHINGTON**  
**Sean P. Kelly, C'92**  
2017 Eastlake Avenue East, #303  
Seattle, WA 98102  
B: 425.670.3236  
E-mail: skellz@msn.com

### INTERNATIONAL

**ARGENTINA:**  
**Ezequiel A. Huergo, WG'96**  
CEO, ProSitio, Talcahuano 778  
8th Floor, Buenos Aires 1013, Argentina  
B: 5411 4145 7184  
E-mail: ezequiel.huergo@prositio.com

**AUSTRALIA/NEW ZEALAND:**  
**Gordon Black, WG'90**  
11 St. James Road, Bondi Junction NSW  
2022, Australia  
B: 61 2 9386 4969  
E-mail: blackmail@bigpond.com

**BELGIUM:** Joseph Sadis, WG'75  
Executive Interim Management  
Rue du Monastere 10, 1000 Bruxelles  
Belgium  
B: 32 2 647 0171  
E-mail: jsadis@eim.com

**BRAZIL:** Rogerio Y. Tsukamoto, WG'88  
c/o PRYT Empreendimentos  
Rua Jesuino Arruda 168 - 15  
04532-080 Sao Paulo SP, Brazil  
B & F: 55.11.3168.9272  
E-mail: roger@prytnet.com.br

**CANADA - MONTREAL:**  
**Michel Jourdain, WG'72**  
1, Complexe Desjardins, South Tower,  
28th Floor, Montreal, Quebec H5B1B3  
Canada  
B: 514.281.8605, F: 514.281.2875  
E-mail: Michel.F.Jourdain@ccd.des-  
jardins.com

**CANADA - TORONTO:**  
**Richard Hoffman, WG'87**  
c/o Shandy Nathanson, 170 Atwell Drive,  
Suite 504, Etobicoke, Ontario M9W 5Z5  
Canada  
B: 416.367.6818, F: 416.863.4592  
E-mail: richard.hoffman@fmc-law.com

**CZECH REPUBLIC:**  
**Contact: Wharton Alumni Affairs**  
3733 Spruce Street, 344 Vance Hall  
Philadelphia, PA 19104-6360  
B: 215.898.8478, F: 215.898.2695  
E-mail: alumni.affairs@wharton.  
upenn.edu

**DENMARK:** Erik Winther, GR'85  
DAKO A/S, Produktionsvej 42  
DK 2600 Glostrup, Denmark  
B: 45 44 859.735  
E-mail: erik.winther@dako.dk

**DOMINICAN REPUBLIC:**  
**José Miguel Bonetti, W'61**  
Sociedad Industrial Dominicana  
182 Avenida Maximo Gomez  
Santo Domingo, Dominican Republic  
B: 1.809.541.1804  
E-mail: jose.bonetti.wg61@wharton.  
upenn.edu

**ECUADOR (GUAYAQUIL):**  
**Humberto X. Mata, WG'97**  
Fuerza Ecuador, Box 09 01 4848  
Guayaquil, Ecuador  
B: 593 4 564 268  
E-mail: hmata@ecua.net.ec

**ECUADOR (QUITO):**  
**Richard H. Moss, WG'87**  
MACOSA S.A., Alpallana 296 y Almagro  
Quito, Ecuador  
B: 593.2.564.444, F: 593.2.565.448  
E-mail: rickmoss@macosa.com.ec

**EGYPT:** Aladdin Saba, WG'86  
Hermes Fund Management  
65, Gameat El Dowal El Arabia  
Mohandissen - Giza - Egypt  
B: 20.2.336.5960, F: 20.2.336.5589  
E-mail: asaba@efg-hermes.com

**EL SALVADOR:**  
**Ernesto Sol Meza, WG'61**  
Embotelladora Tropical, S.A., AP. Postal  
2014, San Salvador, El Salvador  
B: 503.2.71.6001, F: 503.2.22.7346  
E-mail: ernesto.solmeza.wg61@whar-  
ton.upenn.edu

**FINLAND:** Patrik Sallner, WG'99  
McKinsey & Company, 79, Avenue des  
Champs-Elysees, 75008 Paris, France  
B: 33 1 4069 1312, F: 33 1 4069 9393  
E-mail: sallner@yahoo.com

**FRANCE:** Frederic D. Dubois, WG'73  
Managing Partner, Sante Investissement  
7 Rue Royale, 75008 Paris, France  
B: 33 1 43 12 34 30, F: 33 1 43 12 34 32  
E-mail: f.dubois@sante-investissement.fr

**GERMANY/AUSTRIA:**  
**Wolfram Nolte, WG'77**  
CKAG Colonia Konzern AG  
Gereonsdriesch 9-11  
50670 Cologne  
Germany  
B: 49.221.1483.2658  
F: 49.221.1483.2010  
E-mail: wolfram.nolte.wg77@wharton.  
upenn.edu



<p><b>GREECE:</b> <b>Christian C. Hadjiminis, WG'83</b> European Finance Associates, Ltd. 7 Stratigi Street, 154 51 N. Psychico Athens, Greece B: 30.1.672.8610, F: 30.1.672.8624 E-mail: christian.hadjiminis.wg83@wharton.upenn.edu</p> <p><b>HONG KONG:</b> <b>Joseph W. Ferrigno, W'67</b> Prudential Asia Infrastructure Investors (HK) Ltd., Alexandra House, 33rd Floor 18 Chater Road, Hong Kong B: 852.2844.1015, F: 852.2521.9815 E-mail: joseph.ferrigno@prudential.com</p> <p><b>INDIA:</b> <b>Atul Bansal, WG'86</b> Tata Financial Services, Bombay House 24 Homi Moddy Street, Mumbai 400 001 India B: 91.22.204.9131, Ext. 7350 F: 91.22.204.6690 E-mail: abansal@tata.com</p> <p><b>ISRAEL:</b> <b>Shai Braverman, W'93</b> Industrial Buildings Corp., 4 Koifman Street, Tel Aviv, Israel B: 972.3.5190.801, F: 972.3.5100.932 E-mail: shai@building.co.il</p> <p><b>ITALY:</b> <b>Paolo Alberoni, WG'92</b> Schroder Direct Investment Group 7 Via Borgogna, Milan, Italy B: 39.335.220.154, F: 39.0.2.76.01.87.47 E-mail: wharton.italy@alberoni.inet.it or paolo.alberoni@alberoni.it</p> <p><b>JAPAN:</b> <b>Keisuke Muratsu, WG'75</b> Activity International, Inc 3-3-2 Minami Azabu, Minato-ku Tokyo 106, Japan B: 81.3.3456.4141, F: 81.3.3456.4382 E-mail: shimanuk@mx.mesh.ne.jp</p> <p><b>KOREA:</b> <b>Jwa-Jeen Choi, WG'80</b> STC Corporation, 32 2 Ka Mullae-Dong Youngdeungpo-Ku, Seoul 150-093, Korea B: 82.2.675.0607, F: 82.2.672.4437 E-mail: jjchoi@suttong.co.kr</p> <p><b>MALAYSIA:</b> <b>Donald Lim, W'86</b> Hotel Equatorial, Jalan Sultan Ismail 50250 Kuala Lumpur, Malaysia B: 60.3.2160.5889, F: 60.3.2161.9020 E-mail: donlim@kul.equatorial.com</p> <p><b>MEXICO (Mexico City)</b> <b>Antonio Carrillo, WG'93</b> Trinity Industries Inc., Monte Pelvoux 111 7th Floor, Mexico City 11000, Mexico B: 52.5.201.7000 E-mail: antonio.carrillo@trin.net</p>	<p><b>MEXICO (Monterrey):</b> <b>Everardo Garcia, WG'82</b> Pulsar Internacional, S.A., Av Roble #300, Suite 1402, Col. Valle del Campestre Garza Garcia, Nuevo Leon, 66265 Mexico B: 52.8.378.0806, F: 52.8.335.6781 Mobile: 52.8.170.1659 E-mail: egarcia@pulsar.com.mx</p> <p><b>NETHERLANDS:</b> <b>Sjoerd Sieburgh-Sjoerdsma, WG '95</b> Nuon, Business Development Nieuwe Koekoekstraat 5, Utrecht 3514EA Netherlands B/F: 31 30 272 4777 E-mail: sieburgh_sjoerd@hotmail.com</p> <p><b>NICARAGUA:</b> <b>Duilio J. Baltodano, W'70</b> Comercial Internacional Agrícola, S.A. Aptdo. Postal No. 736, Km. 61/2 Carretera Norte, Managua, Nicaragua B: 505.2.249.0049, F: 505.2.249.2090</p> <p><b>NORWAY:</b> <b>Tore Borthen, WG'88</b> Jerpafaret 4C, N-0788 Oslo Norway B: 47.22.001.906, F: 47.22.090.736 E-mail: tore.borthen@nordea.com</p> <p><b>PEOPLE'S REPUBLIC OF CHINA:</b> <b>Phillip Y. Wu, CFA, WG'95</b> Shanghai Sundial Investment Manage- ment Co., Ltd., Suite 1405, Min Fang Building, 593 Fuxing Road (M) Shanghai, P.R. China 200020 B: 86.21.2402.8400, F: 86.21.2402.8387 E-mail: phillip.wu.wg95@wharton. upenn.edu &amp; phillip@sundialinv.com</p> <p><b>PHILIPPINES:</b> <b>Manuel V. Pangilinan, WG'68</b> Philippine Long Distance Telephone Company, 7/F, Ramon Cojuangco Building Makati Avenue, Makati City, Philippines B: 63.2.816.8383, F: 63.2.818.6800</p> <p><b>POLAND:</b> <b>Anne Kalin, WG'91</b> LYNKA Promotional Products UL. Jozefa Marcika 4, 30-443 Krakow Poland B: 48 12 293 8000, F: 48 12 293 8001 E-mail: anne_kalin@yahoo.com URL: http://www.geocities.com/anne_kalin/Wharton_main.html</p> <p><b>PORTUGAL:</b> <b>Eduardo Fernandez-Espinar, WG'88</b> SOCI SA, Rua José Estavao, 87-4 1100 Lisbon, Portugal B: 351.1.311.3503, F: 351.1.353.9870</p>	<p><b>REPUBLIC OF CHINA:</b> <b>Harvey Chang, WG'77</b> Taiwan Semiconductor Mfg Co., Ltd. No 121 Park Ave III, Sci Based Industrial Park, Hsin-Chu, Taiwan, Republic of China B: 886.3.578.0466 ext. 2075 F: 886.3.578.3096</p> <p><b>RUSSIA:</b> <b>Benjamin Wilkening, WG'93</b> c/o AIG-Brunswick Capital Management AIG 612, 208 East 51st Street, Suite 295 New York, NY 10022 B: 7.095.961.0243 or 7.095.790.6699 F: 7.095.961.2001 E-mail: Bwilkeni@AigBrunks.com</p> <p><b>SAUDI ARABIA:</b> <b>Hassan Yamani, WG'83</b> Tamlik Limited, P.O. Box 30641 Jeddah 21487, Saudi Arabia B: 966.2.651.5100, F: 966.2.651.1343</p> <p><b>SINGAPORE:</b> <b>James Sim, WG'94</b> Egon Zehnder International Pte. Ltd. #17-01/02, 6 Battery Road Singapore 049909 B: 65.225.0355, F: 65.225.0352 E-mail: jamessim@ezi.com.sg</p> <p><b>SPAIN:</b> <b>Carlos Trascasa, WG'88</b> Boston Consulting Group Alcala 95-5, Planta 1, 28009 Madrid Spain B: 34.91.520.6100, F: 34.91.520.6222 E-mail: trascasa.carlos@bcg.com</p> <p><b>SWEDEN:</b> <b>Lennart J. A. Engstrom, WG'85</b> JAB Industrivarden, P.O. Box 5403 1184 Stockholm, Sweden B: 46.8.666.6400, F: 46.8.661.5670</p> <p><b>SWITZERLAND:</b> <b>Christophe Orly, WG'92</b> CFA &amp; Vice President, Lombard Odier &amp; Cie 11, rue de la Corrairie, 1204 Geneva Switzerland B: 4122 709 21 76, F: 4122 709 34 02 E-mail: christophe.orly.wg92@wharton. upenn.edu</p> <p><b>THAILAND:</b> <b>Sukum Navapan, WG'51</b> Siam Commercial Bank pcl. 9 Rutchadapisek Road, Ladyao, Jatujak Thailand B: 66.2.544.1212, F: 66.2.937.7712 E-mail: chawat@telecom.scb.co.th</p> <p><b>TURKEY:</b> <b>Mesut Ellialtioglu, W'93</b> EVP, Asset Management Kent Securities, Inc., 1 Kism B. 14 Atakoy Istanbul 34710, Turkey B: 90 212 559 0891, F: 90.532 365 9603 E-mail: mellialti@superonline.com</p>	<p><b>UKRAINE:</b> <b>Geoffrey Berlin, WG'88</b> Privatization Partners, Ltd, Suite 6/1 30 B Khmelnitskovo Street Kiev 252030, Ukraine B &amp; F: 38.044.224.2123 E-mail: gberlin1@aol.com</p> <p><b>UNITED KINGDOM:</b> <b>John Gadeny, WG'72</b> c/o Lynn Manek, 63 Woodfields Stansted, Essex CM24 8AL, England F: 01279 817387 E-mail: pcddc@globalnet.co.uk URL: http://www.whartonclub.co.uk</p> <p><b>URUGUAY:</b> <b>Fabian Mendy, WG'92</b> PriceWaterhouseCoopers, Cerrito 461, Piso 1, Codigo Postal 11000, Casilla de Correo 73, Montevideo, Uruguay B: 598.2.916.04.63, F: 598.2.916.06.05 E-mail: fabian.mendy@uy.pwcglobal.com</p> <p><b>VENEZUELA:</b> <b>Francisco Neri Plazola, WEV'83</b> Torre Humboldt, Av. Rio Caura Piso 4, Ofic. 04-01, Prados del Este. Caracas 1080, Venezuela B: 582.9752293, F: 582.9750529 E-mail: fnerip@ven.net</p> <p><b>VIETNAM:</b> <b>Sesto E. Vecchi, Esq, W'58</b> Russin &amp; Vecchi, LLP, OSIC Building 15/F 8 Nguyen Hue Blvd, Q1, Ho Chi Minh City Vietnam B: 84.8.824.3026, F: 84.8.824.3113 E-mail: rusvec@hcm.vnn.vn</p>
<p><b>WHARTON ALUMNI ASSOCIATION EXECUTIVE BOARD 2000-2001</b></p>			
<p><b>Chairman</b> Rich S. Pirrotta, WG'91 VP &amp; General Manager, E-Commerce Fiera.com 420 Lincoln Road, Suite 432 Miami, FL 33139 B: 305-398-5245 F: 305-534-7828 E-mail: rpirrotta@fiera.com</p> <p><b>President</b> Peter Borchardt, C'67, WG'73 President, The Borchardt Group 101 Bay Street Easton, MD 21601 B: 410-822-9016 F: 410-822-1478 E-mail: pete@borchartdgroup.com</p>	<p><i>Vige Barrie, CW '74, WG'76</i>, Director of Communications Cox School of Business, Dallas, TX</p> <p><i>Michael J. Bennett, WG'99</i>, Associate, McKinsey &amp; Co. Cleveland, OH</p> <p><i>Robert Z. Bliss, W'82</i>, Managing Member, Windmill Capital, LLC, New York, NY</p> <p><i>Theresa Boyce, WG'85</i>, Vice President, Marketing Lennox, Richardson, Texas</p> <p><i>Joy E. Butts, WEV'98</i>, Marketing Manager, Mutual Funds Magazine, New York, NY</p> <p><i>Mike Carrel, WG'97</i>, CFO, ZAMBA, Minneapolis, MN</p> <p><i>Thomas W. Courtney, Jr. WG'90</i>, President, The Courtney Group, Inc., New York, NY</p> <p><i>Theo Forcht Dag, MD, WG'95</i>, Atlanta, GA</p> <p><i>Kyle Duarte, W'98</i>, Network Commerce, Seattle, WA</p> <p><i>David N. Feldman, Esq., W'82, L'85</i>, Senior Partner Feldman &amp; Associates, New York, NY</p> <p><i>Matthew Greene, WG'89</i>, Managing Director, Utendahl Capital Partners, LP, New York, NY</p> <p><i>Janice Hannsz, WG'75</i>, Kenilworth, IL</p> <p><i>Carter F. Henderson, W'52</i>, Ponte Vedra Beach, FL</p>	<p><i>David A. Kaufman, W'92, WG'94</i>, Kaufman's Wedding World Altoona, PA</p> <p><i>Dana Michael, W'82</i>, Principal, Ernst &amp; Young, New York, NY (Chairman Emeritus)</p> <p><i>Alan Schlaifer, Esq., W'65</i>, Principal, Law Offices of Alan N. Schlaifer, P.C., Bethesda, MD</p> <p><i>Bob Schneider, Esq., WG'79, L'79</i>, Of Counsel, Cuddy &amp; Feder &amp; Worby, LLP, New York, NY</p> <p><i>Bob Shalayda, WG'80</i>, Marketing Manager, Lucent Technologies, Whippany, NJ</p> <p><i>Michelle Smith, W'96</i>, AVP, Sr. Credit Analyst, Daiwa Securities America Inc., New York, NY</p> <p><i>Sajan K. Thomas, WG'88</i>, President &amp; CEO, S.S. Thomas &amp; Associates, L.L.C., Gig Harbor, WA</p> <p><i>Rick Wien, W'78</i>, American Business &amp; Professional Program, New York, NY</p> <p><i>Paul T. Zantinger, C'65, WG'67</i>, Vice President, Miller Group, Atlanta, GA</p>	

## Learning to Lead, Marine Style

continued from page 11

“What they really look for,” Colby says, “is someone who trusts the team and who earns their trust, but who can effectively motivate them. In some people it takes a long time for these qualities to become visible. That’s all right. They get many chances.” Marines emphasize the need to allow room for failure, a theme at variance with the success-at-any-cost rhetoric of many boardrooms.

Twenty feet away at station three another group focuses on how to cross a small body of water using only a rope, a board and two big, empty drums. The team decides to lash the drums together and float one candidate across at a time, using the board as a guide.

Candidate Heather Thorne is the first to give it a shot. Balanced carefully on the tied drums, she pushes off across the water toward the far bank. But almost instantly, the drums become unstable beneath her. Catching on two parallel poles crossing the water, she abandons the drums, goes in below the waist, and slowly, painfully pulls herself up onto the poles. She considers jumping to the far bank and safety, but stays where she is to help the others get across. Sergeant Vreeland looks at his watch. After several problems of this kind, the group is beginning to work together.

“This experiment taught me an amazing amount of respect for the Marine Corp and their style of teaching teamwork,” Thorne says. “In school, our teaching style is more theoretical. Maybe it’s good once in a while to go out and do something rather than sit in a classroom.”

A coaching session followed each Leadership Reaction Station. “The feedback was so finely honed that there was no room to counterpoint,” says Useem. “There was none of that defensive posturing that’s sometimes apparent in the classroom.”

After the LRC, the students head back to the barracks for another change of clothes. “They did surprisingly well,” says Colby. “The real officer candidates are in much better physical shape when they get here. But these young men and women largely supplied that lack with brainpower.”

Generally, the students are exhausted but happy, ready to dine on gourmet food at the officers’ club.

“I think we came to realize that you really need the team,” says Rafael Samuel-Lajeunesse. “I can see now why there is such an emphasis on working together and communicating effectively.”

Another key lesson learned, Useem says, is that mistakes are a teaching tool. “If you have positive feedback, you can come back from a failure and learn about yourself. During the Leadership Reaction Course, the instructors would step forward to critique them. I’ve never seen so many wide eyes as the students learned both the mistakes that they made as well as some of the achievements. One team leader was told, for instance, that he had failed to clearly articulate his instructions; another was told she had strayed too far for-

ward to effectively guide her team. They probably appreciated more than ever before that mastering leadership is a matter of acting and then learning from your mistakes.

“At Quantico, the Marine instructors told the students exactly what problems they were expected to solve. In the business world, however, our graduates won’t have the problems laid out quite so neatly for them. But the more they can experience what lies in their futures, the better prepared they will be to lead in the very demanding markets they are sure to face after graduation. With the acquisitions, mergers, restructurings, and change initiatives they are sure to face ahead, they’ll likely look back one day and say, ‘It can’t be as bad as the Quantico course.’” ♦

## Shils

continued from page 5

admire had that tolerance for ambiguity. They formed borderless cultures within the corporate world.”

Shelf after shelf in Shils’ office is lined with the studies he has done on a consulting basis over the years. In 1983, he did the first study for Philadelphia showing that it was imperative to build new stadiums for the Eagles and Phillies to keep the teams, and their substantial income flow, in the city. Other studies helped create Philadelphia Community College, kept the textile manufacturers alive in Philadelphia long after they left other cities, promoted the building of the Pennsylvania Convention Center and showed the value of negotiating school board contracts without contentiousness.

But if there was one turning point in his life, Shils indicated it was when he decided to go back to law school at the age of 68. Though colleagues his age were retiring, he knew he had far more to offer.

“I suppose it was a mixture of pride and showing people I could do it,” says Shils. He started out part-time, just to see if he would like it, but he soon went into the full-time program, jousting with professors half his age and students even younger than that. “It was great. The professor would go right down the line. He’d call on some scared young guy and then go to me, an emeritus professor. It was exhilarating.”

Shils took the Pennsylvania bar (“That’s a long time to sit and write for an old guy,” he kids) and then went back to Penn for two advanced legal degrees, the LLM in 1990 and the SJD in 1997. In addition to his new bequest, Shils has also created a professorship in the law school in arbitration and alternative dispute resolution.

“They tell me six Penn degrees is a record,” he says. “But my wife may break it.” Shirley Shils has a BA in religious studies and Mideast politics and an MS in social gerontology. Ed Shils has a number of honorary degrees as well, among them those from Philadelphia University and Tel Aviv University.

What seems to energize Shils more than anything are his duties as advisor to management students at Wharton.

“I don’t just tell them about classes, but about business and life,” he says. “And they help me. I may start the day with a headache, but some young person comes in and we talk and it’s all better. You can’t beat that. Keeping young is what it’s about.” ♦