

TAPPAN & HILL

Remembering William Davidson

INSTITUTE FOUNDER AND
UNIVERSITY BENEFACTOR
LEAVES RICH LEGACY

William Davidson, BBA '47, died March 13 at the age of 86 at his home in Bloomfield Hills, Mich.

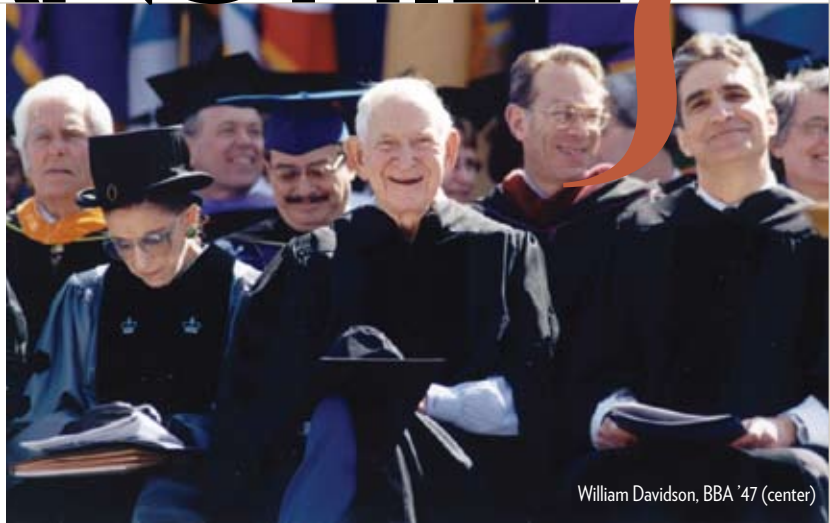
One of the most generous donors to the University of Michigan, Davidson also supported the University with his counsel, guidance, and vision. He was a long-time benefactor of the business school. The physical and social centerpiece of the new Ross School facility bears his name: the Davidson Winter Garden.

Davidson endowed a chair in his own name, held by Professor **Kenneth Lieberthal**, and a chair in honor of the late California Congressman Tom Lantos, held by **Robert Kennedy**. He also founded the University's William Davidson Institute (WDI), which is dedicated to developing and disseminating expertise on issues affecting firms in transition and emerging market economies.

WDI was created in 1992 when Guardian Industries Corp., an international manufacturer of glass products, made a major financial commitment over a 20-year period to establish an institute at U-M's business school. Named in honor of Davidson (who was chairman, president, and CEO of Guardian Industries at the time), WDI represented an aggressive and visionary response to global economic transformation.

"My vision is that it will help forge a path for those responsible for economic change in these emerging markets — that it will give them the knowledge, the methods, and the blueprints for a successful transition to a market economy," Davidson said of the institute.

"Bill Davidson was a business visionary,



William Davidson, BBA '47 (center)

a great philanthropist, and a dedicated family man," says Kennedy, who currently serves as WDI's executive director. "He always encouraged us to aim high and to accomplish great things. The thing he said most often was, 'How can I help?'"

That help emerged in many forms, says **Dean Robert Dolan**, who considered Davidson a mentor. "One did not have to be with 'Mr. D' for very long to figure out that there were lifelong learning opportunities in whatever you did with him," Dolan says. "Addressing a dilemma by asking, 'What would Mr. D do?' has always been a most worthwhile practice for me — one that I plan on continuing even though, sadly, my very enjoyable days learning from him have ended."

The University will benefit from Davidson's contribution for generations to come, says President **Mary Sue Coleman**.

"His generosity as an adviser, a business executive, and a philanthropist enhanced the teaching and research experience for U-M students and faculty," she says. "He did not hesitate to share his knowledge and expertise, and our University is stronger for it."

Davidson may have been best known as the managing partner of the NBA's Detroit Pistons, a team he bought in 1974. He was inducted into the Basketball Hall of Fame in 2008. He was the

The thing he said most often was, "How can I help?"

majority owner of Palace Sports and Entertainment, which includes the Palace of Auburn Hills, the Detroit Shock (Women's National Basketball Association), and DTE Energy Music Theater, a world-class entertainment venue, as well as management of Meadow Brook Music Theater.

In addition, Davidson was one of metro Detroit's most notable philanthropists, responsible for more than \$200 million in donations to local and international charities and universities. *The New York Times* named him one of America's most generous donors.

A native of Detroit, Davidson earned his BBA from U-M in 1947 and his law degree from Wayne State University in 1949. In 1996, he was awarded the Doctor of Humane Letters, Honoris Causa from the Jewish Theological Seminary in New York. He received an honorary degree from U-M in 2001.

Davidson is survived by his wife, Karen, two grown children, Ethan and Marla, and three stepdaughters. ✦ —Dan Shine

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Supply Chain Management Degree Adds Value at Ross

In January, the Ross School launched its one-year Master of Supply Chain Management Program (MSCM). The full-time program was designed by Ross faculty in operations and management science (OMS), a discipline in which the school was ranked No. 1 by *BusinessWeek* in 2008.

The MSCM Program responds to an exploding industry need for supply chain skills, partly driven by outsourcing, deeper specialization, and offshoring, says **Ravi Anupindi**, MSCM faculty director. He describes supply chain as the “central nervous system” of a global corporation.

“Globalization is here to stay,” says Anupindi, a Michael R. and Mary Kay Hallman Fellow and associate professor of operations and management science. “Supply chain management is no longer simply a tactical function. It is a business function that interfaces with marketing, finance, and operations. It’s about material, information, and financial flows — and managing these flows effectively.”

Candidates in the MSCM Program join the Tauber Institute for Global Operations, which is a joint initiative between Ross and the College of Engineering. MSCM follows the school’s action-based learning model and offers a paid, team-based summer project with one of its corporate partners.

“It’s a tangible, results-oriented program,” says Anupindi.

Courses are presented in two 13-week blocks with the 14-week paid summer project in between. The structure is well-suited for corporations seeking to upgrade their own supply chain skill set and identify employees who would benefit from the program through sponsorship of students and summer projects.

From the school’s perspective, this new option is geared toward highly

he points out. “And that’s the heart of the program. I wanted a great education, and I knew Ross would supply it.”

OMS faculty developed the MSCM curriculum in conjunction with an advisory board of representatives from McKinsey, Intel, IBM, Wal-Mart, and Ryder Supply Chain Solutions, among others. Content includes a core set of supply chain management courses that cover

“Supply chain management is no longer simply a tactical function. It is a business function that interfaces with marketing, finance, and operations.”

driven graduates in engineering, business, and economics who already have identified supply chain as a focus. For current student Brian English, the one-year program at Ross offered the degree he needed, the concentration he wanted, and the time frame he desired.

“It’s an MBA boiled down to everything I wanted to learn,” he says. “And I get ‘supply chain’ in the title of my degree, which makes a difference when I’m marketing myself. The one-year tuition was appealing, and the paid summer project was a huge attraction.”

English was not cowed by the fact that he was entering the first Ross MSCM class, basically untested and unranked among its peers. “Even though the program isn’t ranked, the professors are,”

logistics, analytics, strategic sourcing, IT for supply chain, global supply chain management, and more. The new supply chain courses are now available as electives to all Ross MBAs. At the same time, MSCM candidates can opt into a broad array of electives ranging from business to law to engineering. Students also go through a business fundamentals boot camp (covering all business disciplines), and, as Tauber students, MSCM candidates participate in the institute’s Leadership Advantage program.

Applications are now being accepted for the Class of 2010 (beginning coursework in January). The early admission application deadline was April 1; the standard application deadline is August 1, 2009. ✦—*Deborah Holdship*



Entrepreneurship Program Seeks to Help State of Michigan

Each spring brings the promise of unlimited potential. That promise for 50 faculty and PhD students was in full effect at Ross this year as their aspirations came closer to reality in the school's first MBA Essentials and Entrepreneurship (MBAEE) Program.

The seven-week MBAEE was created for University of Michigan faculty and researchers looking to commercialize new products and services. Some 200 candidates, each touting a novel piece of intellectual property, applied for the 50 open slots. U-M faculty and graduate students, U-M Health System residents and interns, and those at the University who hold fellowships or other post-doctoral positions were eligible.

"One goal of the program is to move Michigan forward in terms of new venture startups," says **George Siedel**, MBAEE faculty director and professor of business law at Ross. "By providing U-M faculty and graduate students with an understanding of the essentials from our MBA Program, along with an entrepreneurial focus, we hope to advance the interests of the University community."

MBAEE participants came from 12 schools and colleges; medicine and engineering represented the largest contingents. Content kicked off with concepts, frameworks, and tools borrowed from the MBA core, such as accounting, finance, and

marketing. The focus then turned to developing, financing, and launching a business. Students brought ideas ranging from nanotechnology-based solutions for brain tumor surgery to nascent ventures in arts and music.

"We've designed the content for people who can envision themselves developing an idea or starting a company at some point in the future," says **Dean Robert Dolan**.

Ross faculty were joined by venture capitalists, entrepreneurs, and other experts in the classroom. While crash courses in finance and accounting would be daunting for some, MBAEE participants were "a very bright group" able to move at warp speed through the material, says Siedel.

"Many participants recognized that, 'I don't want to be an entrepreneur. The value I add is as a scientist. But at least now I know what I'm looking for in an entrepreneur to take the venture to the next level.'"

Siedel hopes when MBAEE participants start their businesses, they will do it in the state of Michigan, working with Michigan entrepreneurs. "We have a fantastic research base at U-M. We just need to commercialize our discoveries better."

MBAEE was a joint effort of Ross and the Samuel Zell and Robert H. Lurie Institute for Entrepreneurial Studies. ✦

Executive Education Finds Partner in Shanghai



In November 2008, Ross Executive Education partnered with Shanghai property developer Shui On Land Limited to establish Shui On Academy. The alliance is designed to provide Shui On Land with innovative learning opportunities that drive individual and company performance while promoting academic development at Ross.

residential development projects. The company has plans for aggressive growth and will look to Ross faculty for expertise in the areas of leadership and entrepreneurship. Ross professors will experience issues regarding economic development, management styles, and property market elements in China.

Shui On Land is the flagship property company of the Shui On Group on the Chinese mainland. It has a proven track record in developing large-scale, mixed-use, city-core development projects and integrated

"The Ross School's educational philosophy of action-based learning is rooted in the conviction that the best learning occurs when the educational process is closely tied to the world of practice," says **Dean Robert Dolan**. "As a partner in Shui On Academy, we look forward to setting the standard for leadership development and to extending impactful learning opportunities to the people there."

The collaboration will incorporate in-house leadership and management courses and one-on-one partnering between Ross faculty and the company's senior executives in action-based learning projects. In addition, both organizations will co-host large-scale conferences, forums, competitions, and other events focusing on leadership and entrepreneurship. ✦

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Ross BBAs Get in on the Action

ACTION-BASED LEARNING GAINS MOMENTUM IN UNDERGRADUATE COURSEWORK

The Ross School's commitment to action-based learning already distinguishes the MBA Program among the world's top-tier business schools. Now the BBA Program is taking action-based learning to the next level as faculty find new and more ways to connect BBA coursework to real business challenges facing actual organizations.

"Our students are an impressive bunch," says BBA Program Director **Scott Moore**, Arthur F. Thurnau Professor and associate professor of business information technology. "They're also very demanding. Our intention is to provide a broad range of project-based experiences for BBAs while experimenting with the details of course structure and management."

The support of generous benefactors like **Thomas Jones**, BBA '68/MBA '71, bolsters the school's efforts. In 2005, he endowed the Thomas C. Jones Center for BBA Education with a \$10 million gift, which encourages such program innovations as the integration of action-based learning into coursework. That could explain why the Ross BBA consistently ranks among the nation's best undergraduate business programs. In February 2009, *BusinessWeek* ranked Ross No. 4 in the U.S.

CLASS ACT **Tammy Feldman** is an adjunct lecturer of business economics and public policy. She was recruited to Ross to develop action-based courses, including Organizations and Industries (Business Economics 480). BBA seniors manage a live project as the bulk of the course output, with an emphasis on the application of multidisciplinary skills.

"Whether it's a marketing, strategy, or operations management project, students make a real connection between what they learned in the core and how to use all those tools in a meaningful, sustained way," Feldman says.

The in-class component still dominates BBA coursework, but Ross far outpaces competitor programs when it comes to bridging theory and practice, Feldman says. In winter 2009, her students consulted with a local distributor of high-end scientific equipment to create a marketing strategy.

Meanwhile, BBA students enrolled in Professor **Anu Nagarajan's** course Dynamic Capabilities through Corporate Development (Strategy 392) learn how companies build, gain, and leverage competitive advantages in constantly changing contexts. Nagarajan turned to the staff who oversee the MBA Program's Multidisciplinary Action Projects (MAP) course to initiate a venture at Whirlpool Corp. Nagarajan's BBAs visited a facility, met with Whirlpool staff, and worked on developing a growth strategy for countertop microwaves.



Ross BBAs consult for Target in Professor Wooten's strategy class.

OWN IT Other faculty members pioneering action-based learning at the BBA level include **Lynn Wooten**, clinical associate professor of strategy, and management and organizations; and **Bill Lovejoy**, the Raymond T. Perring Family Professor of Business Administration and professor of operations and management science. Wooten's BBAs perform consulting projects for Target Corp., a concept she introduced into Strategic Management of Knowledge in Professional Service Firms (Strategy/MO 470). Lovejoy's BBAs often can be found working in the University of Michigan Hospital and Health System as part of Projects in Healthcare (Operations and Management Science 490).

As a student in Lovejoy's class last year, **Mitchell Zoerhoff**, BBA '09, spent three to four hours each week at the East Ann Arbor Health and Geriatric Center's radiology branch. He consulted with staff to maximize patient CT scan throughput without compromising customer service. This year the class is being repeated with nine projects focusing on a range of cross-departmental problems, such as patient admissions and bed allocations or synching up lab testing and physician rounding.

Zoerhoff says his experience motivated him to approach problems from a new perspective.

"You learn in a different way," he says. "You have to gather your own data and work with different kinds of people. You have to discover what the problem is and come up with a solution, and there isn't necessarily just one."

That's the beauty of action-based learning, says **Valerie Suslow**, associate dean for degree programs and professor of business economics and public policy. "The students own that information now. They learn it, retrieve it, synthesize it, and apply it to a real-world situation. That's why we think action-based learning is important educationally, and that's why we continue to bring it into the BBA curriculum in a manner that benefits both students and partner organizations." — *Deborah Holdship & Leah Sipher-Mann*

Crisis Challenge Tests Leadership Skills



Luca Testa, MBA '10

The average person seeks to avoid crisis at all cost. But this past January, 64 MBAs pursued crisis — all in the interest of a challenge. The Ross Leadership Initiative pitted 16 teams against one another in a time-sensitive, role-playing exercise in which students framed and defended a collective response to an evolving corporate dilemma. They posed as executives in

an agribusiness firm confronting issues of sustainability, offshoring, deforestation, social unrest, and corporate sabotage. In a departure from a typical case competition, students faced an audience of hostile stakeholders that included actual journalists from the BBC, MSNBC.com, and the *Seattle Times*, among others.

“The bottom line is to get the big picture, come up with a reasonable plan, and stick to the plan — especially in a presentation before the board or the press,” says **Luca Testa**, MBA '10 (pictured above in a video interview). One of Testa's biggest takeaways from the experience? “Reporters will try to get you to say things you didn't mean to say.” ✖

Business Plan Competitions Inspire Viable Startups

It's a cold February day, but the competition inside Ross is getting heated. Jan Garfinkle, founder and managing director of Arboretum Ventures, and Pete Farner, managing director of TGap Ventures, sit at a table opposite four Ross School students: **Erica Graham**, **Shally Madan**, and **Siddharth Sinha**, all MBA '09s, and **Elizabeth Uhlhorn**, MBA/MS '10, make up Team Husk, a startup poised to convert agricultural waste into thin, high-grade insulation for the refrigeration industry.

The final round of the University-wide Michigan Business Challenge is in full swing as Garfinkle and Farner shoot questions at Team Husk. How long will it take to get their product to market? An estimated 18 months. How much funding do they need? \$425,000 for the first round. Why is their insulation an improvement over what's already on the market? It's more energy efficient and can be produced at a competitive price.

Some questions have no easy answers. When those arise, a team spokesperson says, “Thank you, we'll look into that.” And they do, says Graham. “That's the first thing we do.”

Being diligent about follow-through is one of many reasons Husk has succeeded so far. The team, which also includes **Ian Dailey**, MBA '09, took home the \$15,000 Pryor-Hale Award for Best Business at the Michigan Business Challenge and is one of three teams to make it to the finals of DTE Energy's Clean Energy Prize Competition. This was the first time business plan teams could compete simultaneously in the two competitions, and Husk took second place in the Clean Energy Prize.

The Michigan Business Challenge differs from other contests in that it draws out the rounds of competition over four months, giving teams time to make their plans increasingly viable. Round one took place in November 2008. Subsequent rounds required more detailed presentations, narrowing the field from 64 teams to just eight by the February finals.

“Any investor is going to have the same questions these judges had,” says **Luis Calderon**, MBA '10, whose Team Audiallo won a \$5,000 prize in the finals. “This is as real as it gets.” ✖

— *Leah Sipher-Mann*

Three-peat:

ROSS NET IMPACT TAKES
TOP HONORS AGAIN



For the third year in a row, Ross Net Impact won Chapter-of-the-Year honors.

Net Impact is an international organization of more than 10,000 students and professionals committed to serving the social and environmental good through business. The award was announced in November during the organization's annual North America Conference at Wharton.

Ross Net Impact (RNI) was selected from more than 200 chapters, including those from North America's top MBA programs, for its commitment to social and environmental responsibility in campus events, curriculum change, and professional development.

In addition, **Tammie Jones**, MBA '09, RNI's vice president of events, was named Net Impact's Member of the Year.

Says **Emily Reyna**, MBA/MS '09, RNI co-president: “Ross Net Impact members are not only passionate about society's most pressing issues, but are consistently able to turn that passion into action and results.” ✖

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Economics and Environment to Shape Relations with China

“The Chinese government may be one of the few in the world that was sad to see George W. Bush leave office and is nervous about his successor,” said **Kenneth Lieberthal**, William Davidson Professor of Business Administration, during the 42nd William K. McNally Lecture at Ross. He presented “U.S.-China Relations in the Obama Administration: Continuities and Changes” Jan. 27 in the school’s new Blau Auditorium.

“Neither side is seeking fundamental change in the way we deal with each other,” said Lieberthal, a distinguished fellow and director for China of the William Davidson Institute. But the solid foundation between the two nations will be tested by the way President Barack Obama handles the global recession and climate change.

President Obama inherited the world’s most extensive bilateral trade relationship with China. As a result, China has a major stake in a U.S. economic recovery. But while President Bush kept the U.S.

market for Chinese goods open, President Obama is dealing with rising unemployment and increasing cries of protectionism. At the same time, China holds the largest amount of dollar-denominated debt instruments, and the U.S. will rely on China to purchase more. But compounding debt may tempt policymakers to print more money, degrading the dollar and devaluing U.S. debt owned by the Chinese.

Meanwhile, Obama’s view on environmental stewardship is the polar opposite of Bush’s, Lieberthal said. It’s likely Obama will pursue a cap-and-trade system, in which carbon emissions are capped but could be traded on an open market. That kind of legislation won’t pass in Congress unless China agrees to its own carbon emissions policy. Opponents will argue that if the U.S. caps emissions and China does not, U.S. businesses will face a daunting disadvantage.



Kenneth Lieberthal

A cooperative agreement on emissions could be the beginning of a true partnership between the nations, Lieberthal said. Conversely, failure on the issue will have negative consequences.

“Neither side trusts the other side’s long-term intentions,” he said. “Building trust will be important, but also potentially difficult in the coming years.”

In addition to his role at the William Davidson Institute, Lieberthal is the Arthur F. Thurnau Professor of Political Science at the University and a faculty associate at the Center for Chinese Studies. He currently is on leave as a visiting fellow in foreign policy studies at the Brookings Institution in Washington, D.C. ✦—*Terry Kosdrosky*

When the Going Gets Tough ...



Kenneth Chenault

Managing a big financial services company during the most severe economic crisis since the Great Depression is tough work. But American Express Chairman and CEO **Kenneth Chenault** says he’ll know one thing for sure when it’s all over: who the good leaders are.

“Reputations of individual leaders are clearly made in times of crisis,” said Chenault during his Feb. 11 presentation for the Ross

School’s Leaders in Thought and Action Speaker Series.

The current downturn isn’t Chenault’s first brush with crisis. He led American Express during the Sept. 11, 2001, terrorist attacks and resulting economic slowdown. He laid off about 14 percent of the workforce then. But he was able to do it in a compassionate manner,

he said, due to the credibility he’d earned in the trenches.

“You just can’t switch it on all of a sudden,” Chenault said. “You need to interact with people every single day. That gives you the license to be trusted to take some of those tough actions.”

American Express is facing harsh times once again. Earnings are down, credit losses are up, and Chenault has had to lay off more employees. He follows Napoleon’s axiom that the role of a leader is to define reality and give hope. While the environment is grim — that’s the reality — the company has a strong brand and owns its own network. Therein lies the hope.

“We are not going to drive earnings the way we have over the last seven years,” Chenault said. “Staying profitable will build credibility. We’re a growth company. We have to selectively invest in growth, and that’s something we’re not going to compromise.” ✦—*Terry Kosdrosky*

Public Health Needs the Private Sector

Private industry has a major stake in bringing vaccines, drugs, and quality medical care to developing nations. Neglecting such issues as infant mortality, malnutrition, and the spread of disease will cause markets to suffer in the long term, said **Tadataka Yamada, MD**, president of the Bill & Melinda Gates Foundation's Global Health Program.



"If we can't think of this problem in terms of a moral tragedy, we can think of self-interest," said Yamada, former chairman of research and development for pharmaceutical giant GlaxoSmithKline. "From a commercial standpoint, the emerging world is the emerging market."

Yamada, the former chairman of internal medicine at the University of Michigan Medical School, issued a challenge to Ross students during a Jan. 20 address as part of the William Davidson Institute's Global Impact Speaker Series. He asked them, as they lead companies later in their careers, to support business models that can make their products viable in developing countries while complementing the global health efforts of the public sector.

"The delivery channels for care are there for the private sector in a way they're not available to the public sector," said Yamada, reflecting on his own experience. "It can be done without compromising the financial goals of shareholders."

Yamada's journey in global public health began when GlaxoSmithKline was embroiled in litigation with Nelson Mandela's South African government over the price of HIV medicine. Yamada proposed setting up a lab to produce medicine for the developing world without concern for profit at first. "And I'm happy to say we partnered with the Gates Foundation," he said.

That partnership led to Yamada's full-time role as president of the foundation's Global Health Program. He now oversees grants totaling more than \$7 billion. Targets include tuberculosis, malaria, HIV, malnutrition, and maternal and child health in the developing world. In addition to its work with GlaxoSmithKline, the Gates Foundation has helped create business models other pharmaceutical companies can emulate.

"We have to be very creative," Yamada said. "But in the end we need examples the private sector can follow." ✦ —*Terry Kosdrosky*

King's Legacy Lives in the Future, Not the Past

Martin Luther King Jr. was more than the leader of a "peculiar movement and a long-past set of times," according to civil rights historian and award-winning author **Taylor Branch**. King should be regarded as a "modern founder" in this nation's history alongside Thomas Jefferson, James Madison, Abraham Lincoln, and the suffragettes.

Branch, the author of the epic trilogy *America in the King Years* (Simon & Schuster), shared his thoughts during the Jan. 19 MLK Day Lecture in the Ross School's Blau Auditorium. Branch is a Pulitzer Prize-winning scholar, widely considered the definitive literary source on King's legacy.

"King did what the other modern founders did," Branch told the audience. "He confronted systems of hierarchy and subjugation and set in motion changes for a common citizenship, which is the very promise of America. Martin Luther King Jr. is about the future. It's about how we apply the ideas born of the civil rights movement going forward, because these ideas are the base ideas of democracy itself."

Branch is a white southerner who grew up in the segregated south. He shared his amazement that African Americans who'd never experienced the benefits, privileges, and promises of democracy could lead a movement for freedom. Somehow King and other civil rights leaders found the political genius, discipline, courage, and grace to lift "all the rest of us" toward the true meaning of our own professed values as Americans, he said.

"Now, we must all become modern founders because that's what the world needs, and that's what our citizenship requires," Branch said. "King was right when he said that no leader in a modern democracy and a shrinking world is so wise to be able to make major progress toward freedom without an aroused citizenry pushing him, behind him, ahead of him. We all have to do our part. That's the great lesson from the civil rights era." ✦

—*Deborah Holdship*



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Faculty Kudos, Awards & Appointments

BAGOZZI RECEIVES AWARD, PROFESSORSHIP Professor of Marketing **Richard Bagozzi** won the inaugural C.W. Park Award for Outstanding Contribution to the *Journal of Consumer Psychology* as co-author of the article “The Role of Regulatory Focus in the Experience and Self-Control of Desire for Temptations.” Bagozzi recently was named Dwight F. Benton Professor of Marketing at Ross.



JENSEN RECEIVES TENURE **Michael Jensen** was promoted to associate professor of strategy with tenure. He researches social structures in markets and teaches courses on corporate strategy, strategic alliances, social networks, and negotiations in the BBA, MBA, and PhD programs. He is on the editorial boards of the *Academy of Management Journal*, *Administrative Science Quarterly*, and *Strategic Management Journal*.



CAMERON NAMED KELLY PROFESSOR **Kim Cameron** recently was named the William Russell Kelly Professor of Management and Organizations. He is a co-founder of the Center for Positive Organizational Scholarship at Ross and focuses his research on organizational downsizing, organizational effectiveness, corporate quality culture, and the development of leadership excellence.



MUIR NAMED THURNAU PROFESSOR **Dana Muir** recently was named Thurnau Professor of Business Law. Her research interests are in employment law and securities law, particularly as they relate to employee benefits. Muir’s employee benefits research has been cited by the U.S. Supreme Court and other federal courts. She was a delegate to the first and second White House/Congressional National Summit on Retirement Savings and has served as a Congressional Fellow.



DUTTON DISTINGUISHED AT UNIVERSITY **Jane Dutton**, the Robert L. Kahn Distinguished University Professor of Business Administration and Psychology, presented the Distinguished University Professorship Lecture at Rackham Amphitheater in April. She discussed “Beauty in Everyday Work: Seeing the Resourcefulness of University Staff.” Dutton is co-founder and co-director of the Center for Positive Organizational Scholarship at Ross. She just completed co-editing the book *Exploring Positive Identity and Organizations* (with Laura Morgan Roberts).



NARAYANAN NAMED TO PROFESSORSHIP **M.P. Narayanan** recently was named the Robert Morrison Hoffer Professor of Business Administration. He also is a professor of finance and chair of the finance department. Narayanan’s current research focuses on corporate governance. In particular, his work with finance professor Nejat Seyhun was instrumental in exposing the practice of backdating executive options.



ETHIRAJ RECEIVES TENURE **Sendil Ethiraj** has been promoted to associate professor of strategy with tenure. His research is based on the premise that firms are bundles of interdependent choices or complex systems. Ethiraj developed the MBA elective Strategy in Technology-intensive Industries. He also teaches the strategy core class in the MBA Program and serves on the editorial boards of *Administrative Science Quarterly*, *Organization Science*, and *Strategic Management Journal*.



INDIA HONORS PRAHALAD **C.K. Prahalad** was honored with the Padma Bhushan, India’s third-highest civilian award, in January. Prahalad is the Paul and Ruth McCracken Distinguished University Professor of Strategy. He recently co-authored *The New Age of Innovation* (McGraw-Hill, 2008) with M.S. Krishnan, professor and chair of the business information technology department.



HESS WINS PIONEER AWARD **David Hess**, assistant professor of business law, received the 2008 Faculty Pioneer Award from the Aspen Institute Center for Business Education. The annual recognition celebrates MBA faculty who have demonstrated leadership and risk-taking in integrating social and environmental issues into academic research, educational programs, and business practice.



SCHWARZ & YOON WIN BEST PAPER Marketing professors **Norbert Schwarz** and **Carolyn Yoon** took the Best Paper prize from the *Journal of Consumer Research* for their contribution to the 2005 study “How Warnings about False Claims Become Recommendations.” The journal gives the award three years after publication to see how the research stands the test of time. ✦



WDI Scholars Target Sustainable Innovation, Healthcare

The William Davidson Institute (WDI) recently announced two appointments to launch new research initiatives that address significant global issues: the effective commercialization of “green leap” technologies for sustainability and the effective delivery of healthcare.

Stuart Hart, the S.C. Johnson Chair of Sustainable Global Enterprise and professor of management at Cornell University’s Johnson School of Management, is director of WDI’s Green Leap Initiative (GLI). He will remain affiliated with Cornell but will be based in Ann Arbor and work part time for WDI.

David Canter is director of the Business of Healthcare Initiative at WDI. Prior to the appointment, Canter was a senior vice president in Pfizer Global Research and Development, and director of the Michigan Laboratories in Ann Arbor and Kalamazoo.



Hart (second from left) visits Peking University.

MAKING THE GREEN LEAP Sustainable innovation has exploded in recent years, but most clean-tech startups focus on high-end “green” markets, says GLI’s Hart. Little attention has been paid to creative commercialization strategies or distribution models targeting the base of the economic pyramid.

Hart feels that underserved markets, where the infrastructure has not been built out, could be the ideal testing ground for “disruptive” clean technologies. A new

solar infrastructure, for instance, would disrupt the coal mining industry and coal-fired power plants. Other disruptive technologies include biomaterials, biomimicry, wireless information technology, sustainable agriculture, nanotechnology, point-of-use water purification, and renewable energy.

“It’s difficult to bring these next-generation, potentially inherent clean technologies forward on a commercial basis in established marketplaces,” Hart says, noting that incumbent firms have a vested interest in keeping things as they are. “But it is possible to construct a new next-generation form of living and infrastructure from the beginning.”

Regions in China can be ideal laboratories to launch the GLI because of the country’s size, growth rate, environmental problems, social challenges, and clean technology potential. “It is possible to imagine these next-generation technologies fueling local economic growth and development, building livelihoods, creating jobs, increasing income, and also moving to tomorrow’s inherently clean technology at the same time,” Hart says.

The GLI is now building relationships with corporations, universities, and other entities in China, such as the China Entrepreneurs Club. As *Dividend* went to press, GLI was developing student internships for summer 2009.

MANAGING HEALTHCARE Continuing work he started in Rwanda as a Pfizer Global Health Fellow, Canter will generate research at WDI on how management skills can be better taught and measured in healthcare workers in developing countries. “If you improve management skills, a health center will be more effective in delivering care,” Canter says, “and the health of



Canter advises healthcare workers in Rwanda.

a community will benefit.”

In addition, the new Business of Healthcare Initiative will create a market-based protocol to assist developing countries in the shift from donor-driven to fully autonomous healthcare systems. Education, private businesses, and supply chains all come into play as healthcare systems transition toward autonomy. Management and leadership skills are necessary to navigate infrastructure, mobilize workers and volunteers, enhance patient care, and maximize limited budgets.

The initiative also will promote study of how public policy and the actions of private companies and organizations influence a country’s dependence on foreign aid for healthcare, even when the strategy of foreign aid does not meet a country’s needs. For example, half of the foreign aid for Rwanda goes toward HIV treatment and research, but only three percent of the people there are infected with HIV.

It is expected that student projects will be sourced through the initiative; closer connections to the School of Public Health and the Medical School are anticipated. Teaching materials will be developed in collaboration with WDI’s Educational Outreach. ✪—*Dan Shine*