

Market Street

A NATION ON STRIKE

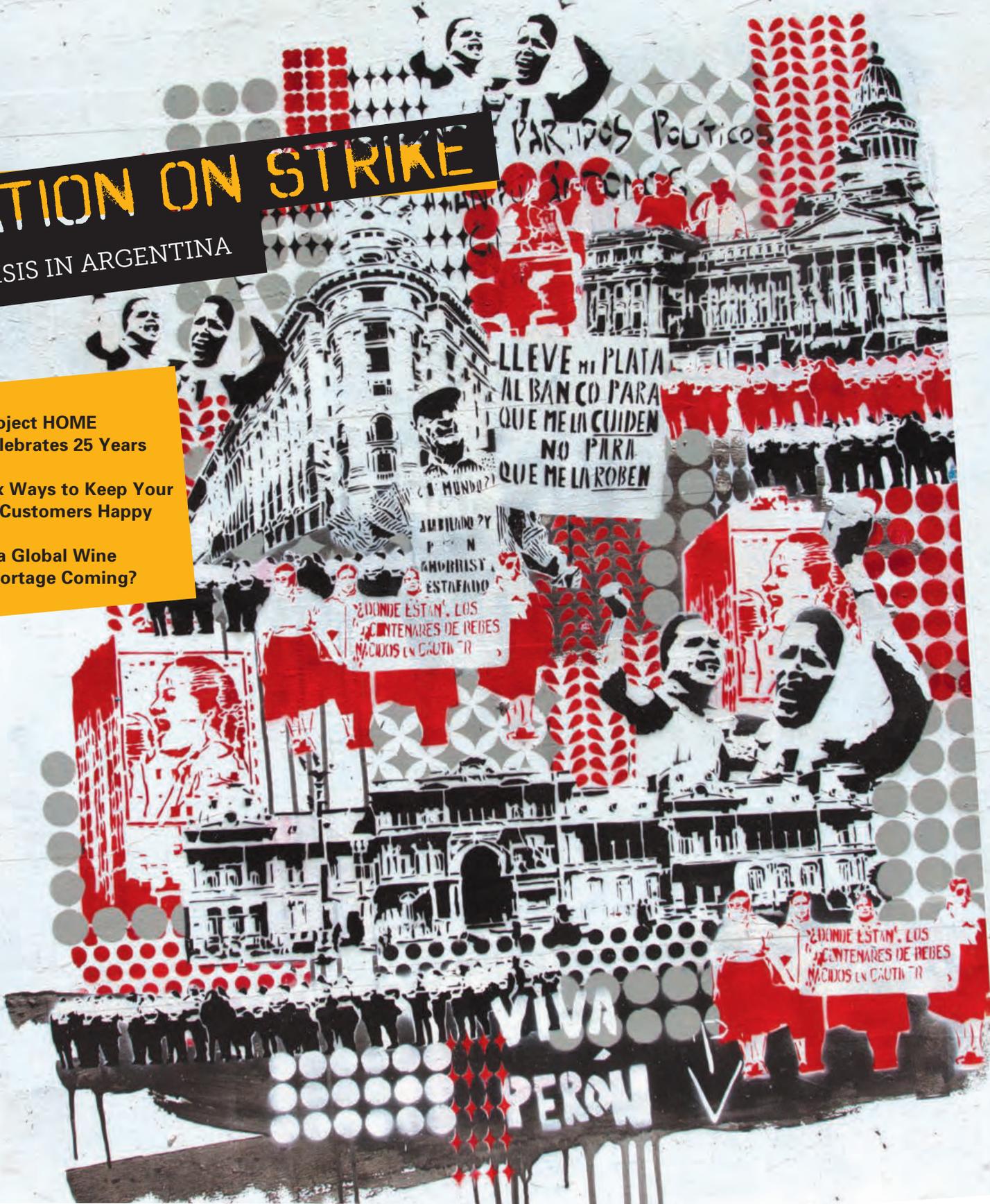
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BUILDING HOMES & HOPE

While earning her M.S. at LeBow, Joan McConnon '89 wondered what good might come of applying the theory of social enterprise to the problem of homelessness. Turns out, a lot.



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They used to call Buenos Aires the Paris of South America. Now they say it's the protest capital of the world. As inflation rises and the peso drops, Argentina teeters on the edge of another crisis.

MAILBOX



We love mail!

Write us at MarketSt@lebow.drexel.edu

Drexel in the Age of Grace Kelly

THE FOLLOWING IS AN EXCERPT OF A LETTER PENNED BY MARKET STREET READER ROBERT STOPP, WHO STUDIED AT DREXEL FROM 1948 TO 1950:

I ENROLLED IN DREXEL'S BUSINESS ADMINISTRATION (BUSAD) CO-OP PROGRAM ON SEPTEMBER 22, 1948, MY SON'S BIRTHDAY. A WEEK LATER MISS IVY MONK, THE TYPING INSTRUCTOR, EXCUSED ME FROM TYPING CLASS AS I COULD TYPE 84 WPM; SHE GOT A STUDENT JOB FOR ME IN THE OFFICE OF DR. ALLEN T. BONNELL, VICE PRESIDENT FOR DEVELOPMENT. DREXEL WAS BEGINNING TO RAISE \$5 MILLION TO BUILD A BUILDING NEXT TO CURTIS HALL TO REPLACE THE QUONSET HUT CLASSROOMS. JOHN MCSHAIN AND JOHN B. KELLY WERE CO-CHAIRMEN FOR THE CAMPAIGN. MCSHAIN BUILT THE PENTAGON, GUTTED AND REBUILT THE WHITE HOUSE AND BUILT MANY VETERANS HOSPITALS THROUGHOUT THE U.S. KELLY WAS THE BRICK MAN; HIS DAUGHTER, GRACE KELLY, WHO LATER BECAME PRINCESS OF MONACO, WOULD CHAUFFEUR HIM TO SEE DR. BONNELL. I WAS DETAILED TO KEEP HER COMPANY...

TO READ STOPP'S LETTER IN ITS ENTIRETY VISIT LEBOW.DREXEL.EDU/MARKET-STREET/STOPP



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Drexel University's LeBow College of Business

Women's Work: Still Not Done

Growing up, it never occurred to me that I would be afforded fewer opportunities than any male my own age. Inequality of gender wasn't on my radar.

So it certainly never occurred to me that once I reached my 30s, women would still constitute less than 20 percent of all seats in the U.S. Congress – and an unbelievably pathetic 4.3 percent of the CEO positions at Fortune 1000 companies.

And if you had told me 20 years ago that I would, in 2013, attend a conference where one of the main topics of conversation would be the “glass ceiling,” my young jaw might have dropped. But with statistics like these, we still have a long way to go before we can relegate that glass ceiling to its proper place: the tomes of history.

At the 10th annual Pennsylvania Conference for Women, an event sponsored by Drexel LeBow and attended by more than 7,000 women and men, Hillary Clinton and other esteemed leaders such as Madeleine Albright and Sallie Krawcheck shared their trials and triumphs and called for further progress.

There's no doubt that women have made some great strides. A new study by Pew Research reveals that women's hourly wages are now 84 percent those of men – and among millennials (ages 25 to 34), it's 93 percent. These numbers have greatly improved over the past 20 years, when women were earning closer to 75 cents for every dollar earned by a man. But, they still indicate that a substantial wage gap exists in our society.

As Sheryl Sandberg says, change will

only come once more women make it to the top. This seems inevitable, since data from the Department of Education shows that for every man who earned a college degree in 2013, 1.4 women did the same.

And, based on a few key female politicians who have risen close to the top of the electoral process during the past decade, I can now confidently say I think I'll live to see a woman elected president. (Only time will tell, but I may even have heard one speak at the conference.)

I hope that by the time my 2- and 3-year-old daughters reach their 30s, the idea of a female president, a female majority in Congress or a female CEO is no longer novel.



LISA LITZINGER-DRAYTON | lm164@drexel.edu



Economics: The ~~Dismal~~ Delightful Science

The opening of Drexel LeBow's School of Economics brings back memories of my undergraduate years, where I struggled until "finding" economics. I claimed the discipline as my major on the very last day we could choose our field of study. Perhaps this is why I can relate to students who struggle to find their passion during their first few years of college.

In those days, the economics curriculum was quite different from what it is today. An understanding of calculus was not mandatory; we had only one required econometrics course. Far from an emphasis on quantitative skills, the economics curriculum then included classes in economic thought, the history of economics and comparative economics systems.



INTERIM DEAN
FRANK LINNEHAN
WITH SCHOOL OF
ECONOMICS DIRECTOR
VIBHAS MADAN, PH.D.

were in labor economics, urban economics and Marxian economics. I spent several evenings sitting in an upstate New York laundromat reading *Das Kapital*, although probably more for affect than actually studying. I truly enjoyed all those graphs required in the advanced micro and macro classes and spent many hours recreating them in the library preparing for exams. Of course, I don't know how any of us ever studied without drinking coffee in a café, using a laptop and listening to music through a smart phone, but somehow we succeeded.

Our class in comparative economic systems stood out not because of its quality, but because of the instructor. Over the entire 16-week semester, our professor would enter the class, sit at a small desk, open his notes and read to us. The only time he looked up was to stare vacantly at the far corners of the room. Although my thoughts about the instructor were different then, I realize now that he was likely a painfully shy scholar who preferred the solitude of his office, working on his research, rather than facing 20 barely attentive 19-year-olds three times a week.

Fortunately, none of the faculty members in our School of Economics match that description. Not only are our faculty distinguished for their research (among the best in the world in international trade), they are also excellent teachers dedicated to their students.

Elevating economics at the College from a department to a school makes sense on a number of levels. It raises the profile of economics at Drexel LeBow; it will help attract more students to the field due to our expanded menu of programs; it will help us highlight the important research being conducted by our faculty; and it will help further prepare our students for careers as economists.

Our economics majors are fortunate: Not only will they graduate from a School of Economics, but they have the benefit of being taught by internationally known scholars who are also adept at instilling their passion for the "dismal science" to their students. This obviously can't be done by staring into the corners of a classroom.

Frank Linnehan, Ph.D.
Interim Dean

John Maynard Keynes was still king, but Milton Friedman was gaining influence. Dr. Friedman even visited our campus (which was a big event). When we heard that the faculty were upset because he treated them like graduate students, it made us like Dr. Friedman even more. Here we are more than 40 years later and the economists and politicians still can't agree on the best way to smooth out a recession: increasing government spending (Keynes) or controlling interest rates (Friedman).

Perhaps reflective of the early 1970s, our upper-level courses

Imagine that you are at a hospital seeking treatment for a serious ailment, and your doctor makes a diagnosis based on gut feeling, tangential experiences and information gleaned from vendors' promotional materials. Surely you would prefer your doctor to instead make a diagnosis based on up-to-date independent research, clinical trials and information published in medical journals.

ARE YOUR LEADERSHIP PRACTICES PROVEN?

Now imagine yourself part of an important project at work, and your boss is leading the team based on assumptions, long-standing (but never proven) traditions and outdated experiences. Just like with your doctor, wouldn't you expect performance and outcomes to be better if your boss based actions and leadership upon clear and consistent findings from management studies, best practices based on research findings, and recent professional educational courses?

These distinctions highlight an evidence-based approach to decision-making and actions. While intuition may have some use in certain situations, studies have clearly shown that, in the long run, an evidence-based perspective fosters enhanced results and performance. Unfortunately, the bad news is that only about 15 percent of doctors' decisions are evidence-based, and managers most likely use evidence-based perspectives at an even lower rate. While these statistics are disheartening, the good news is that individuals can easily begin to take steps to incorporate more evidence-based perspectives into their work-related roles.

To foster these steps, a main focus of Drexel LeBow's Institute for Strategic Leadership (ISL) is to advance an evidence-based perspective to leadership. This approach is cultivated through the promotion of leadership development and practices based on evidence from leading scientific research produced by LeBow faculty and other global scholars.

As a cornerstone of the Institute, we believe that clear, verifiable support will help leaders diagnose preconceived ideas and assumptions that may not be accurate, and replace them with practices that have been proven to be effective. Research findings often run contrary to conventional wisdom. For instance, research has clearly shown that typical job interviews are a relatively ineffective approach to selecting and hiring employees; employee pay is not strongly related to job satisfaction; and introverted

leaders often perform better than extroverted leaders, depending on the type of team they lead.

LeBow faculty affiliated with ISL conduct research that enables leaders to quickly and accurately determine what type of leadership works and what doesn't in a variety of settings and situations. Here are several examples of takeaways that can be gleaned from our findings:

Leaders must foster alignment for employee well-being

Jeff Greenhaus and colleagues found that leaders' family-supportive supervisory behaviors has a positive effect on employees' work-family balance, but only when paired with complementary behaviors from the organization and spouse.

Leaders need to be aware of abusive supervision when they are facing difficult challenges

Mary Mawritz and colleagues found that assigning increasingly difficult job goals to leaders results in increased levels of abusive behaviors toward their subordinates.

Personality impacts leadership

Christian Resick and colleagues illustrated that individuals' positive and negative personality traits have differential effects of leadership behaviors and styles.

When a team is diverse, focus on task-related functions

My colleagues and I found that when leading a heterogeneous team, task-focused leadership reduces team conflict, whereas relational focus leadership enhances it. Just like how relying on evidence will result in better diagnoses by your doctor, incorporating these findings and other evidence from ISL into your approach to leading will result in beneficial outcomes for you and your organization.



JONATHAN ZIEGERT, PH.D., IS AN ASSOCIATE PROFESSOR OF MANAGEMENT AND THE ACADEMIC DIRECTOR OF THE INSTITUTE FOR STRATEGIC LEADERSHIP. FOR MORE INFORMATION ABOUT ISL AND THE RESEARCH CITED IN THIS ARTICLE, PLEASE VISIT LEBOW.DREXEL.EDU/ISL



Gerri C. and Bennett S. LeBow
Alexandra Tyng
2012 | Oil on Linen
Unveiled at the reception to mark the official opening of Gerri C. LeBow Hall, the painting now hangs near the building's east entrance. Portrait artist Alexandra Tyng was born in Rome but has spent most of her life in Philadelphia. Other portrait subjects Drexel has commissioned her to paint include former President Constantine Papadakis and University Trustee R. John Chapel Jr. – the latter portrait hangs in the fourth floor of Pearlstein.

THEY ALL WANT TO CHANGE THE WORLD

Drexel University recently honored two LeBow faculty members and one staffer with Teaching Awards for their outstanding pedagogic contributions. Their classroom gallantry is well documented — but what we really want to know is: What inspires them? And more importantly, do they prefer John and Paul, or Mick and Keef.



BERNHARD REICHERT, PH.D., CPA
Assistant Professor of Accounting



ALAN HECHT
Director of Instructional Technical Services



LAWRENCE DUKE, PH.D.
Associate Clinical Professor of Marketing

Beatles or Stones?
Beatles. All you need is love.

What is the best advice you ever received?

To get a Ph.D. Being able to research the managerial accounting side of companies and teaching accounting to students is a great joy. Also, I met my wonderful wife as a Ph.D. student at the University of Texas at Austin.

Who is your personal hero? Why?

If I have to pick one person who inspires me to be a better person I would have to say my father. The Pope gave him an award for his civic engagement several years ago. To this day I find that inspiring.

What actor would you want to play YOU in a movie?

I don't think anyone is going to make a movie about an accounting professor, so no need to think about that. There is absolutely zero probability of anything like the *Real Accounting Professors of Philadelphia* ever coming to TV.

Beatles or Stones?
The Beatles. Their albums epitomize the changes to music culture during those decades.

Who is your personal hero?

It may sound strange, but my two boys are my personal heroes. They know me well, love me anyway, and can make me both laugh and be proud all at the same time. I really like who they are, and they are both very different.

In 10 words or less, what is your best advice for LeBow students?

Sit closer to the front. You'll sleep less and learn more. Sorry, that's 11 words.

What actor would you want to play YOU in a movie?

John Lovitz; he could read an obituary and it would sound funny. And I'm a very funny guy.

Beatles or Stones?
Beatles

What is the best advice you ever received?

It is not what other people think but rather what you truly believe that counts.

Desert island book?

Robinson Crusoe

Who is your personal hero? Why?

John Maynard Keynes. He helped save the world from a deepening depression. He also had a great mix of a quantitative and philosophical intellect.

What actor would you want to play YOU in a movie?

Samuel L. Jackson



Assembling the Onion: The Artist Behind The Cover

Artist Santiago Spirito began painting in the streets of Argentina soon after the Argentine economic crisis of 2001 as a member of Vomito Attack, a well-known stencil art collective known for its political commentary and anti-consumerist messages. In 2007, he began producing murals on his own, under the alias "Cabaio." His recent works have been less politically charged, instead focusing on beautifying the city of Buenos Aires with richly textured images that erupt with color.

When *Market Street* approached Cabaio to produce the art for this issue's cover story (page 18), we weren't sure he would be interested because he no longer focuses his art on opposition. Lucky for us, he accepted the commission as a chance to show American readers his personal interpretation of the unrest he has experienced firsthand.

Cabaio created this issue's cover image on discarded wood, which he covered in dozens of sheets of paper to recreate the look of city walls that have become plastered with layers of political posters that vie for attention on the streets of Buenos Aires. Each image represents the spirit of protest. There are iconic locations, graffiti art and real faces of protestors on the streets. The red hues reference Argentina's socialist politics while the blacks and grays provide contrast and weight.

The images Cabaio created for this issue add a visual element to the story that simply cannot be shaped with words. Each layer is a voice; each image, a story.



FOR MORE OF CABAIO'S WORK, VISIT WWW.CABAIO.ORG



SOUPING UP KNOWLEDGE

Campbell Soup Co. has partnered with LeBow's Corporate and Executive Education to create the Campbell College of Finance. Developed and delivered by Drexel LeBow, the

curriculum enhances employee understanding of theoretical financial concepts and their practical application, with the ultimate goal of enhancing Campbell's finance capabilities.



Sacrebleu!

Is all this *wine-ing* about a global shortage justified?

MARK EYERLY

Wine drinkers the world over were alarmed by an October report from Morgan Stanley Research that predicted an imminent global wine shortage. Even *The Onion* got in on the act, quoting a woman identified as Judy Salazar saying: “That’s OK. I started dealing with my problems anyway.”

But then journalists, bloggers and others began criticizing the report for misreading statistics in an attempt to promote investment in Australian wine.

So, what’s an oenophile to believe? We went straight to two Drexel LeBow economics professors who should know, for decidedly different reasons.

Anne Duchene’s research might focus on industrial organization or economics and the law, but she was born and raised in Paris, once lived in a shoebox apartment with a view of the Eiffel Tower, and her parents celebrate their daughter’s birthday with bottles of wine from 1976 – the year of her birth “and an amazing year for wine,” she says. Duchene has been drinking wine since she was 16 and prefers pinot noir and cabernet sauvignon.

Mark Stehr, on the other hand,

started drinking wine after he moved to Philadelphia and “started earning a real salary.” He prefers white wines in summer and red wines in the winter, adding: “I know what I like, but I’m not an expert.” He is, though, a specialist on issues related to health and economics.

And Duchene and Stehr are in agreement: The sudden emergence of China’s upper and middle classes will strain the worldwide supply of any consumer good for which they acquire an appetite (China’s per capita consumption of wine has doubled twice in the last five years), and for which there’s a significant lead time to market (it takes at least five years for a new vineyard to yield wine sales).

“Economists tend to believe that people will always figure out ways to make more stuff,” Stehr says. But production of some goods — art, specialty parts, wine — cannot be ramped up to match the “large, sudden and unprecedented” increase in demand caused by China’s deliberate attempt to shift from an investment-based economy to one driven by consumption.

Duchene is hearing concerns from colleagues and friends at home that counterfeit French wines are being sold in China and that some of China’s newly

rich are actually buying French wineries — castle, vineyard and all.

Stehr’s explanation: Just like Japan in the 1980s, China is experiencing higher real estate prices and an appreciating currency. Thirty years ago, the Japanese bought office buildings, hotels and resorts. Today, Chinese with money want to make more money and diversify and protect their holdings by locating wealth where it is more likely to be treated according to the rule of law.

On top of that, the harvest in Europe (especially France) has been poor the past five years, with 2012 coming in at record lows. The 2013 harvest showed signs of a turnaround, “so if we have a few good years in a row, wine production could catch up with consumption,” Duchene says. “That’s a problem with the wine industry: Not only is it hard to catch up with the sudden increase in demand, but it’s also completely dependent on uncontrollable things like the weather and harvests.”

The bottom line? Wine drinkers should be concerned about a possible shortage; beer drinkers have nothing to fear (beer production can be elevated overnight); fans of vintage liquors should hope the Chinese stick to wine.

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DO THE SUMMER OLYMPIC

YES

GEORGE TSETSEKOS

MANY NATIONS ARE LINING UP

to become the next host of the Summer Olympic Games in hopes of benefiting from the nationalistic pride and economic benefits that come with the honor of hosting. However, these benefits fall short when compared to the enormous cost of staging this mega-event. For many years now this euphoric attitude has overshadowed sensible voices advocating that the Olympics should return to its roots in Greece permanently to avoid the madness of overspending resources that yield only “feel-good” benefits to local citizens.

The perception has always been that hosting the Olympic Games advances the economic activity of the host country. After all, the requirement to build state-of-the-art stadiums, construct facilities that meet the needs of visitors and develop or improve upon existing infrastructure all contribute to the creation of new jobs, increased economic activity and a boom in tourism and travel. As the argument goes, hosting the Olympics will promote a nation’s future tourism as potential visitors will be drawn to Olympic venues after being exposed to them through the games; and after the games are over, the existing infrastructure will still be helpful to the country.

Rigorous studies provide lack of support for net economic benefits in osting mega-events. Much of the spending is a local substitute from a different activity and not actually additional spending. Moreover, the projects associated with the games typically seem to be “white elephants” such as poorly used sporting facilities or hotels and other infrastructure built to accommodate a one-time peak demand for just a few weeks. For example, velodromes, aquatic centers, archery ranges and many other facilities are seldom used after the games, and the ones that are require hefty ongoing maintenance expenses.

The 2004 Summer Olympics in Athens cost Greece \$13 billion. The 2012 Summer Olympics in London cost close to \$15 billion. In 2008, China spent at least \$100 million on the opening ceremonies alone. Let’s put this in perspective: About 100 million Chinese citizens live on less than \$1 per day.

Returning the games to Greece is the right thing to do. From the economic point of view, it is sensible to host the game in a permanent site. Many of the facilities already exist, and additional infrastructure may add small incremental expenses every year. Up-keep and maintenance of fields, hotels and other infrastructure will be at a fraction of the investment cost needed for a different country to host the games every four years. To offset ongoing costs, the International Olympic Committee (IOC) could create a fund based on merchandise sales or fees paid by visitors. Eliminating the bidding process would also save valuable time and resources, as that process alone is an enormous and expensive undertaking. If the summer games return to Greece, these expenses, on aggregate, will become a huge savings to many nations.

Given its current economic crisis, Greece would welcome the opportunity to be the permanent host of the games. Returning the Olympics to Athens would provide a neutral place for the games, independent of regional conflicts and disputes that occasionally have generated tensions, boycotts and security nightmares. A worldwide organization like the IOC could manage it.



There is no question that the economics would work. The historical dimension is compelling as returning the Summer Olympics to its birthplace has sentimental appeal. If global leaders would adopt a more rational approach and end the competition among the few nations that can afford to bid for and subsequently stage the games, the Olympics can return to focusing on the true spirit of athletic completion.

GEORGE TSETSEKOS, PH.D., IS A FORMER DEAN OF DREXEL LEBOW AND THE GEORGE B. FRANCIS CHAIR PROFESSOR OF FINANCE. A NATIVE OF GREECE, TSETSEKOS' FAVORITE OLYMPIC GAMES TO WATCH ARE SWIMMING EVENTS AND THE 4 X 100 TRACK RELAY.

ILLUSTRATION BY AERIN LEE, A STUDENT AT DREXEL'S WESTPHAL COLLEGE OF MEDIA ARTS AND DESIGN

GAMES BELONG IN ATHENS?

MY WORTHY OPPONENT MAKES A STRONG CASE for moving the Summer Olympic Games to Greece permanently. However, he misses two critical points: It goes against the mission of the Olympics, and there are numerous benefits to host countries that implement the games correctly.

It is impossible to overstate Greece's imprint on the games. Greece is the spiritual home of the Olympics, with origins dating back to 776 B.C. when sporting events were held on the plains of Olympia. But let us not forget that the Olympics of the modern era are the brainchild of a French baron named Pierre de Coubertin, and other members of the original International Olympic Committee (IOC) from around the world. (The official language of the Olympics is French, not Greek!)

These members envisioned the games as an instrument to promote international dialogue and peace. Although the inaugural games were held in Athens in 1896, de Coubertin and the founders of the modern Olympic movement always envisioned rotating the host country so that the Olympics could maximize its effect on spectators and athletes around the world.

Thus, limiting the Summer Olympics to Athens violates the mission of the IOC. Perhaps the Olympic flag should display only one ring, rather than the five rings that currently represent the diversity of athletes and spectators from around the world? What would happen to some of the Olympics' most cherished rituals, such as the torch traveling to the host country?

But there is also an economic argument for rotating the games. Dr. Tsetsekos and I agree that the research on whether hosting

the Olympics actually pays off for the host country has been equivocal, so our difference of opinion stems from our interpretation of the data. Some studies conclude that return on investment is negligible; others show substantial gains in trade or other outcomes. For example, one study published by *The Economic Journal* found international trade outcomes can be improved by up to 20 percent for host countries. Such a reputational bonus is corroborated by findings in some of my own research (conducted with my colleague Yoto Yotov and LeBow Ph.D. alumna Boryana Dimitrova '12): We find that a country can improve its ability to export products by enhancing reputational signals for the quality of products and the trustworthiness of its people.

Perhaps the best evidence of the numerous ways in which countries stand to benefit is the strong desire to host the games. If it were really such a risky endeavor, we would expect interest to be quite tepid. In reality, we find the

opposite; competition to become a host country is as heated as ever. Some of these cities will certainly perform better than others, but they all believe that the games hold the potential to create pride, build worldwide awareness, improve infrastructure and encourage investment, among other positive outcomes.

Moving the Summer Games to Greece would be a mistake based both on its charter and on the economic evidence. Share the wealth, Greece!

DANIEL KORSCHUN, PH.D., IS AN ASSISTANT PROFESSOR OF MARKETING AT DREXEL LEBOW. BEFORE ENTERING ACADEMIA, HE COMPETED IN INTERNATIONAL COMPETITIONS AND OLYMPIC QUALIFIERS IN FENCING. HE HAS LIVED IN THREE COUNTRIES THAT HAVE HOSTED THE OLYMPICS (CANADA, ITALY AND THE UNITED STATES) AND WILL BE CHEERING FOR ALL THREE DURING THIS YEAR'S GAMES.

NO

DANIEL KORSCHUN





LOUIS LUONG
CITY UNIVERSITY,
HONG KONG

Studying Abroad Not Always Foreign

LISA LITZINGER-DRAYTON

The length of your journey does not necessarily dictate the foreignness of your experience.



MARISA ENGLER
DREXEL LEBOW,
PHILADELPHIA

Despite how much the world has changed in the past dozen years, students studying abroad now are learning one thing today that I learned then: the number of miles traveled is not necessarily an indication of how foreign the classroom study abroad experience will be.

In my case, I arrived at the Ateneo de Manila University in the Philippines in 2001 after 24 hours on three planes, one boat and a (sweltering) bus with a broken



JENNIFER BELL
DREXEL LEBOW,
PHILADELPHIA

air conditioner. I was halfway around the world and – palm trees and daily tropical downpours aside – the university was similar to the one I was used to back home. Classes were taught in English, the professors were approachable, and asking questions was encouraged.

It took Jennifer Bell less than half that time to travel in nonstop, climate-controlled comfort last summer from her home in London to Philadelphia – where the language, pop culture and weather all seem familiar – to find an educational experience at Drexel LeBow decidedly different from the one at Leeds University in Northern England, where she majors in business.

“The way everyone interacts in class is very different here,” Bell says. In the UK classroom, formalities still reign. “You pretty much sit in the room and listen to the teacher. You don’t ask a question, or if you do you get a funny look from everyone else.”

As an exchange student spending the year at LeBow College, Bell finds that Dana D’Angelo’s marketing consulting class stands out as the biggest departure

from what she’s used to. The class is participating in a consulting competition for Mazda, utilizing a budget provided by the company to provide market research and create a campaign for the upcoming rollout of the Mazda3.

“Doing a class-wide proper project, and working toward something physical that we actually get to create, I think, is a much better learning experience than just sitting and taking in facts and churning them out at the end of the term,” she says.

“We make productive decisions.”

Marisa Engler is spending a year at Drexel LeBow on exchange from Reutlingen University’s European School of Business (ESB) in Baden-Württemberg, Germany, which partners with Drexel to offer a dual degree. Engler says at ESB, she would sometimes be in formal lectures all day, from 7:30 a.m. until 9 p.m., with only a 30-minute lunch break. She was surprised to learn she would have only five classes per quarter here, but quickly figured out why.

“We had nearly no homework or readings at ESB during the semester, and I realized that here, you have to do a lot of work on your own for every single class,” she says. “I was not used to having homework, getting grades for attendance and participation, quizzes every week, midterms, group projects and finals.” At ESB the norm is one test per term: the final exam.

Engler adds: “In Germany, professors are persons of authority and you normally would not talk to them about personal stuff. The relationship is based more on an academic level.” Here, she says, it

seems the relationships tend to be more casual and friendly.

Claire Goff, a Drexel LeBow student participating in the dual-degree program at ESB, is adjusting to the long days of lectures and the heightened importance of that one, big final exam. “Class participation isn’t as big of a deal. Usually the lecturer just lectures the entire time,” she says.

Like me, Louis Luong is an American student who traveled halfway around the



CLAIRE GOFF
ESB,
GERMANY

world to study. At City University in Hong Kong, he’s also experiencing a classroom environment that isn’t so different from what he became accustomed to during his three years at LeBow. City University is known for being a western-style university with a diverse body of students who come from Asia, Europe, Australia, Africa and the Americas. There, Luong can see the effects that different learning environments have when the students all come together in one big group.

“It is clear that the local students would rather remain quiet and let their peers from international and exchange programs answer the instructor,” he says.

No matter what study-abroad experience one chooses, it’s sure to be a valuable learning experience. But if a student has a strong preference for a specific type of classroom atmosphere, they may want to take that into account before choosing their destination.



MONTHLY OPTION MIGHT WORK BETTER, MR. TAX MAN

Accounting Professor Anthony Curatola has some advice for the U.S. Government: Give the self-employed the option to pay their taxes more often, and you'll reduce the size of your deficit.

The IRS estimates that about \$345 billion in owed taxes go unpaid each year. A large part of this shortfall can be attributed to self-employed business owners, who are far less compliant in reporting and paying their taxes than wage-earning employees. They account for approximately 68 percent of this "tax gap."

Curatola, along with co-author Valrie Chambers, conducted a behavioral experiment to find out if a pay-as-you-go option might be preferable to taxpayers, and produce a better result. The idea that taxpayers would be willing to pay in advance runs contrary to neoclassical economists' theory that taxpayers would act "rationally" and, en masse, reject the opportunity to pay estimated taxes early because of the potential loss of interest they might have earned on those dollars.

Turns out many taxpayers are OK with being irrational.

"We found that when respondents were explicitly offered the opportunity to make monthly rather than only quarterly payments, the majority opted to make prepayments at least once, and had significantly fewer dollars of delinquency," Curatola says.

Further, he offers a counter-argument to those who worry about the potential loss of interest income: "Tax problems can be a devastating threat to the self-employed business owner, in part because the IRS has the power to affix liens to financial assets including bank accounts. A smaller, more frequent payment strategy could also be a stress reducer, especially for young entrepreneurs."

ANTHONY CURATOLA, PH.D., IS DREXEL LEBOW'S JOSEPH F. FORD PROFESSOR OF ACCOUNTING. HIS PAPER, "COULD INCREASING THE FREQUENCY OF ESTIMATED TAX PAYMENTS DECREASE DELINQUENCY RATES AMONG THE SELF-EMPLOYED?" WAS PUBLISHED IN *ADVANCES IN TAXATION*.

Choose Your Partner Wisely

Dysfunctional Relationships Between VC Firms Can Lead Startups Astray

In many ways, venture capital firms are the "parents" of the business world. They provide money and guidance to their offspring (startups), which they hope will be tomorrow's success stories.

So perhaps this should come as no surprise: New research led by Drexel LeBow's Dali Ma suggests that just like people looking to start a family, VCs should choose their partner VC firms carefully.

According to this research, mismatched VC partnerships — where a prestigious VC firm partners with another VC firm regarded as having lower status — can be vulnerable to inefficiencies and ineffectiveness. Specifically, when the prestigious firm has a much smaller financial stake than the lesser-known firm, an ambiguous ownership order can result; the prestigious VC firm may be offering directions without consulting the lesser-known firm, and the latter may also be providing direct guidance based on its legitimate ownership advantage.

The mismatch can result in a disaster, explains venture capitalist Brad Svruga,

whom Ma and his co-authors quote in their paper: "Come to a crossroads for the company and suddenly you're trying to herd a whole bunch of cats into a decision, or fielding anxious phone calls from all directions. Without a strong lead investor helping to manage her co-investors through that process, you as CEO are in for a splitting headache."

Ma says the main takeaway for the financial services industry — not just VCs but also other sectors like investment banking — "Is that we talk a lot about the importance of prestige, but we need to make sure that if prestigious VC firms do not put enough money into a deal, the lead VC investor can still find a way to exert control."

He adds that his research uncovered a couple of exceptions. Notably, it may not matter to portfolio companies that are doing extraordinarily well, because just like just like know-it-all teenagers, the venture capitalists' squabbles "won't have any effect on a CEO who won't listen to their advice anyway."



DALI MA, PH.D., ASSISTANT PROFESSOR OF MANAGEMENT AT DREXEL LEBOW, WROTE "POWER SOURCE MISMATCH AND THE EFFECTIVENESS OF INTERORGANIZATIONAL RELATIONS: THE CASE OF VENTURE CAPITAL SYNDICATION," PUBLISHED IN THE *ACADEMY OF MANAGEMENT JOURNAL*. HIS CO-AUTHORS ARE MOOWEON RHEE AND DAEGYU YANG.

What (e)Customers Want

Marketing researchers Rolph Anderson, Srinivasan Swaminathan and Rajiv Mehta identify six significant drivers of customer satisfaction in e-business based on data collected from more than 850 online shoppers.



Adaptability

The one-size-fits-all approach is no longer adequate. Businesses must tailor products, services and the shopping experience to the individual.

Commitment

Instead of telling the customer what your business is willing to do to solve a problem, a business that's truly committed to customers will ask them how they would like the problem to be handled.

Connection With Other Customers

Customers like to be able to share their opinions with others. Companies can support this desire by establishing comment links, buying circles, chat rooms and special events.

Product Assortment

A product assortment that is too extensive can be confusing and cause customers to postpone or cancel purchases; assortments that are too narrow can lack excitement.

Easy Transactions

Consumers respond positively when the purchasing process is simple, intuitive and user-friendly. Amazon.com realized this early on; that's why it created "1-Click" ordering.

Appealing Environment

Over and above specific products, customers appreciate and respond to a stimulating shopping environment that offers attractive store layouts and shopping websites.

EXCERPTED FROM "HOW TO DRIVE CUSTOMER SATISFACTION," CO-AUTHORED BY DREXEL LEBOW PROFESSORS ROLPH ANDERSON, PH.D., CHAIRED ROYAL H. GIBSON SR. PROFESSOR OF MARKETING, SRINIVASAN SWAMINATHAN, PH.D., PROFESSOR OF MARKETING; AND RAJIV MEHTA, PH.D., PROFESSOR AT THE NEW JERSEY INSTITUTE OF TECHNOLOGY, AS PUBLISHED IN *MIT SLOAN MANAGEMENT REVIEW*.



Global Living in Myers Hall

Alumnus brings vision for a Model U.N. learning community to life.

LISA LITZINGER-DRAYTON

Lixin Liu always wanted to study in America and worked hard for years to turn that dream into reality. But upon her arrival from China, she says she felt homesick, lonely and scared. She felt that she didn't fit in.

She recalls thinking everything about America was different – the food, the culture, the educational environment. She didn't get other students' jokes. Her hometown, Guangzhou, is located in the southern part of China where it never snows, so even the weather was foreign to her.

Liu says she might have decided to return to China were it not for the support she got from her advisors and friends, and from her Business Learning Community (BLC) peers.

As a member of BLC, Liu took classes and lived with a cohort of freshman business majors from many different backgrounds, whom she credits for helping her to acclimate more quickly. "The BLC students helped me a lot. We did a lot of activities, which gave me lots of opportunities to get to know American culture. BLC was like my family."

As a foreign student here at Drexel 25 years ago, Eydis Olsen had a totally different experience. A native of Iceland, Olsen could not count a single American among her circle of friends — even by the time she reached graduation. "My friends were from Germany, the Middle East, India. I had a bunch of international

friends, but no Americans."

Drexel LeBow's first Global Classroom learning community was created to ensure incoming international students have an experience more like Liu's and less like Olsen's. Twenty-three freshmen, eight from foreign countries and 14 American students with international interests, currently live together in Myers Hall and take all of their classes together as a cohort.

Olsen, who is now an associate clinical professor in LeBow's School of Economics, runs the program along with Associate Director of Undergraduate Programs Jackie McCurdy. As one of the program's first initiatives, Olsen encouraged the students to pair up and write each other's life stories — an activity which allowed them to toss the stereotypes and talk about real life experiences.

She says the resulting stories were amazing and eye-opening and the students really bonded. "I want the foreign students to get a solid understanding of the culture here in the United States, and for all the students to understand that while people from different countries may seem very different, on the inside we are basically the same."

Petkana Vatchev, a Global Classroom student who plans to major in legal studies and business analytics, says living with such a diverse group creates lots of opportunities for learning.

“As opposed to one specific thing, we learn from each other about our different cultures every day, through the way we talk, work and learn, to the things we eat when we cook hall dinners for each other — which really makes our floor feel like a home.”

The idea for the program came from alumnus Joel Cohen, who provided LeBow with a generous donation to help it come to life. His vision was for a sort-of model United Nations community that would produce adaptable graduates who can easily cross borders to conduct multinational commerce.

Cohen is an active alumnus who decided to give back by volunteering his spare time to promote higher education. He’s an active member of Drexel’s Alumni Association and the dean’s advisory boards of both Drexel LeBow and the College of Engineering. He’s the president of a company he started, Allflex Packaging Products, Inc.

Cohen says that not enough people are currently working to promote global understanding. “We have discovery and invention — two words that keep America going. We want to pass that on to emerging markets,” which we can do by



inspiring international students who may return to these countries.

He also wants all participating students to understand the multitude of opportunities that will arise globally

during the next decade, pointing to a McKinsley Global Institute study that shows emerging markets’ share of Fortune 500 companies are expected to rise from 5 percent in 2000 to more than 45 percent by 2025.

He envisions trips to see the United Nations General Assembly in action in New York, to see Congress in action in Washington, D.C., and to attract “global leaders to tell the students about global opportunities worldwide.” This vision will come to life this spring when the students take a four-day trip to Washington, D.C., to meet with policymakers from around the world and visit organizations such as the World Bank, The International Monetary Fund and foreign embassies.

Liu, who is currently a sophomore, will get to attend these events, too. Privy to Liu’s experience as an overwhelmed international student who found a home in her learning community, McCurdy asked her to serve as a LeBow Peer Leader to the Global Classroom students. Liu says she is excited to be part of the program because she wants to help other students adjust to life here as quickly as possible and to reap all the benefits that come with multicultural understanding.





IT WILL BE OVER SOON

Buenos Aires is a flower that has bloomed and withered through the ages with belief and incredulity, light and darkness, hope and despair.

JOSEPH MASTER

COMUN
JUBILAC
P... N
KHOBRES
ESTAFAN



You can see it on the streets and in the architecture, on the graffiti and in the protests.

One particular road, the Avenida Figueroa Alcorta, can tell the tale of a metropolis that was once the envy of all Latin America if you pay close attention. The road is lined with lavender jacarandá trees that were planted in 1875 to commemorate the ousting of one in a long line of deposed politicians. Driving west down the thoroughfare, you pass the University of Buenos Aires Law School, a massive neoclassical landmark built by President Juan Perón in the 1950s as headquarters for Argentina's largest labor union — an enduring tribute to the populist support that fueled his power. Today, Congress — the majority of which remains populist — sometimes meets there. The school is also one of Argentina's highest-ranked free public universities.

Just beyond the law school, in the Plaza de las Naciones Unidas, stands a 75-foot-tall steel-and-aluminum flower called *Floralis Genérica*. More than a decade ago it was gifted to the city by Argentine architect Eduardo Catalano as a “hope that is reborn every day to open.” Catalano intended the flower's six 85-foot-long petals to close at night and open each morning. In 2010, the petals stopped closing due to a mechanical problem. The flower has been permanently open ever since. Meanwhile, the economy has remained disastrously closed.

This is Buenos Aires. This is Argentina: A nation paralyzed by 70 years of self-inflicted inertia. Some say the frozen flower represents Argentina's inability to change. Others call it a symbol of decline. But as any Argentine will tell you, the flower probably just went on strike.

In August 2013, 44 LeBow MBA students attended a 10-day international residency in Buenos Aires. The recurring question that professors and executives asked during company visits and group discussions was: *Would you do business in Argentina?* However, after the first day, it was clear that the question was a softball. The answer is *no* — and it will remain *no* for the foreseeable future. The real question is *How? How did Argentina go from being the world's 10th wealthiest nation in 1913 to 59th a century later? How did it plummet from fourth to 21st in*

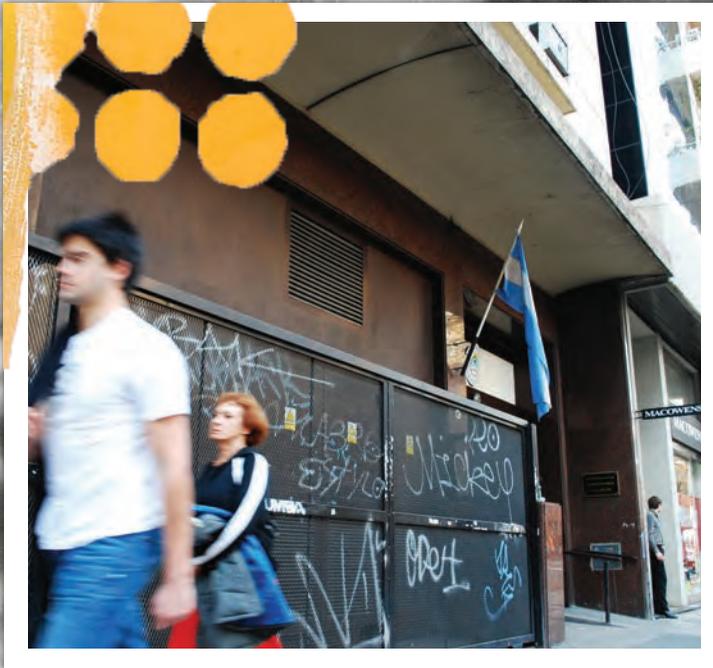
GDP? How did the Paris of Latin America get covered in so much graffiti?

Although each student researched the economy and composed reports on the companies they would visit before the trip, few were prepared for the anthropology behind the numbers. It's easy to look at balance sheets and say, “Business is bad in Argentina.” It's much harder to trace the DNA of decline — to understand that it isn't just bad business; it's a genotype passed through generations.

The red flags were flapping the moment the students arrived. Inside Ministro Pistarini International Airport, students passed by currency exchange booths advertising the government-sanctioned exchange rate of 5.6 pesos to the dollar. Many students swapped hundreds of dollars at this rate, which is favorable, but not nearly as lucrative as the “blue market” rate. The blue market is the direct result of controversial President Cristina Fernandez de Kirchner's 2012 decision to formally ban the populace from purchasing dollars in an effort to protect foreign currency reserves. The ban has resulted in a thriving network of dealers you can easily find on the city's busier street corners, who purchase dollars at a rate 50 to 60 percent higher than the government-sanctioned rate. On the first day of the residency, the blue market rate was 8.5 Argentine pesos to the dollar. The day the students left, it had reached 10.

Some more red flags: During the residency, the United States reciprocated Argentina's ban and stopped exchanging the Argentine peso; Nextel announced it was pulling its service in the nation, in part due to the Ministry of Communications' refusal to allow the company to provide LTE service; and President Kirchner (known to all as Cristina) battled Clarín, the nation's largest media corporation and voice of political dissent, in a televised spin war after winning just 26 percent of the vote in Argentina's primary election.

There are 1.1 million square miles and 40 million people in Argentina. About 40 percent of the country's population lives in Buenos Aires province. More than 2 million people live in about a thousand shantytowns, called *villas miseria*, just outside the city — making the ghetto the second or third largest “city” in the nation,



WALKING
ALONG
AVENUE
CALLAO
IN THE
HEART OF
BUENOS AIRES

depending on the source (and Argentina's National Statistics and Censuses Institute is infamous for underreporting everything from inflation to the weather). Driving by these settlements each day on chartered Mercedes buses, students took pictures and asked, *How is this possible?*

This is what they learned.



FLORALIS GENÉRICA

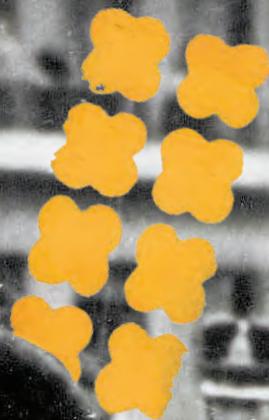
By all natural indicators, Argentina is a gold mine. The earth can grow almost any crop, and it is bordered by 3,100 miles of coastline ripe for trade. From the fertile soil of the pampas in the middle of the country (the Argentine bread belt), to Patagonia, which offers ideal grazing for cattle and oil reserves in the south, Argentina is blessed with a wealth of natural resources. In 1890, it ranked sixth in per capita income and 10th in trade. During the first 30 years of the 20th century, Argentina's economy grew, on average, by 4 percent more than the United States. Argentina welcomed nearly 3 million European immigrants by 1920 alone, as the nation blossomed as a net exporter of grain and cattle.

The remnants of the country's European influence can be seen today in the architecture. French bourbon, neo-Gothic, neoclassical, art deco and even colonial-inspired buildings are scattered among the 47 neighborhoods. During the roaring twenties, Buenos Aires' cafes were brimming. It truly was the Paris of the Latin World.

Under the rule of the Radical party, which held the reigns from 1919 to 1929, the economy grew by an average annual rate of 6 percent. However, despite thriving exports, as other countries experienced industrial booms in cities between the first and second world wars, a kink in the system was exposed: Argentina still imported the majority of its industrial equipment. Cars. Trains. Tractors. Cranes.

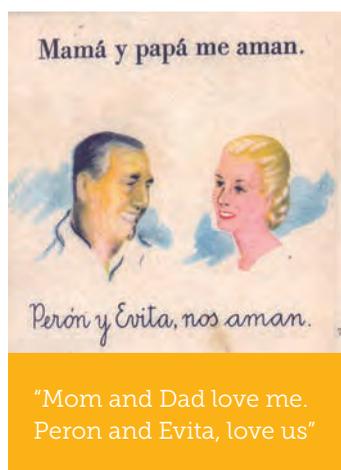
Under the new Coalition rule of a party of conservative aristocrats, the government levied taxes on imports and enacted numerous exchange rates to make the costs of domestic industry more beneficial. Labor became the final, enduring push that to this day remains the fulcrum of Argentine politics — and agrarian workers migrated in droves to work in Buenos Aires. In 1943, the same year a military coup ousted the Coalition regime, industrial production outpaced agricultural production for the first time, accounting for 20 percent of the nation's exports. However, the inevitable hangover of public dissent had already taken hold. By the dawn of the 1940s, workers had already grown tired of low wages and political corruption. As disenchantment swept through the neighborhoods, one man emerged as a friend of the worker. To this day, he remains the most scrutinized public figure in Argentina's history.

Juan Perón built his political career on the back of Argentine labor. As a member of the military party that ousted the Coalition regime, he became the secretary of labor and social welfare. He instituted pro-labor reforms, boosted union membership and became the figurehead of the labor movement. After years of in-fighting among his own party, Perón was elected president in 1946. His first act was to rewrite the constitution to allow for his own re-election.



Perón's policies redistributed internal wealth to increase industrial production while decreasing dependence on foreign imports. His goal was economic independence — although history's emmetropic hindsight would call it the beginning of what is now a dangerously isolationist Argentina.

Under Peronism, public policy outright neglected agriculture. The push was in cities, not the pampas or Patagonia. Instead, Perón poured federal money into industry, regardless of



need or efficacy. During his tenure, credit was extended to manufacturers and the lowest-income workers saw the highest salary spikes. During a five-year span, unskilled workers saw wages rise by 37 percent while skilled workers' rose 27 percent. Argentina's GDP rose 25 percent. Perón instituted price controls on goods, as well as full employment, public health care and housing for the people. He nationalized transportation, communications, foreign trade and even energy.

And then there was Evita, the woman of humble means who rose to become Argentina's official First Samaritan. Her charitable foundation, which was funded through the strong-arming of government-subsidized business for contributions, as well as the donation of one day of annual wages from every

Argentine laborer, had more than 14,000 workers on the payroll by the beginning of the 1950s. During one six-month span in 1951, the foundation apparently distributed 25,000 houses and 3 million parcels that contained everything from medicine to furniture. If little girls wrote her a letter, Evita sent them a doll. Little boys got a bike. In school, children learned to write Evita and Juan before they learned to write mama and papa. Juan and Evita had become Santa and Mrs. Claus.

If little girls wrote her a letter, Evita sent them a doll. Little boys got a bike.



That was — is — the problem. What started out populist turned isolationist, then climbed the hill of paternalism and ended up wholly totalitarian. By Perón's ousting in 1955, almost every area of society was subsidized at least in part by the government. The free public education system had become an arm of the Peronist propaganda machine; unions (once an ally) were repressed; the press was censored; all dissension was met with swift force. But people were *working*. Inflation was rising, but the Argentine population was not allowed to care, did not want to care, did not want to *want* to care.

People were given jobs for which they were not qualified, lived in homes they had not earned and received some of the highest wages in the world, comparatively speaking. Life was good; but the bubbles of inflation, isolationism and — most importantly, the bubble of a spiritually conflicted collective conscience — would burst.



LEBOW MBA STUDENTS ON THE STEPS OF THE UNIVERSITY OF BUENOS AIRES LAW SCHOOL

Argentina was employed, but the people were stripped of the basic human satisfaction of a hard day's work. The damage was done. And 60 years later, people still say, *"I want to go back to the good old days."*

Ever since Perón, the nation's dependence on the government hasn't stopped. Argentina has had 23 presidents since, each serving an average tenure of just 25 months. And while a series of charismatic leaders and military regimes have attempted to change the inevitable with an endless chain of austerity measures, the country has spiraled into one crisis after another. From 1983 to 1988, inflation averaged 350 percent. In 1989, it rose to 5,000 percent. Meanwhile, most services remained free to the public.

Maria Olivero, Ph.D., an associate professor of economics at LeBow, was in ninth grade in 1989, when inflation exploded. She grew up in Córdoba and attended the National University of Córdoba – the oldest university in the Americas. There were 5,000 students in her freshman class in 1993. Just about 10 percent graduated in 1997. They attended

Olivero says most of her peers left the country to study abroad after graduation.

"Growing up, as a 12-year-old, the topic at the dinner table was inflation and bankruptcy," she recalls.

She also remembers the absurdity of government price controls — how one particular grocery store would, for example, sell a package of sugar for 10 percent of the price other stores were charging; yet each family could only purchase a quota of two packages a day.

"So here I am at 12 or 13. My mom would have me run to the store to buy two packs of sugar," she remembers. "And my brother would do it two hours later."

Olivero's story was echoed in millions of households for a decade. How do you fight a monthly inflation rate of 30 percent? You can't. You lose trust in the government. You lose faith in your currency.

In 1999, with crisis looming, Argentina's foreign debt rose to 50 percent of its GDP. In 2001, civil servants and government pensions were levied a 13 percent pay cut. Later that year, they were compensated with I.O.U.s. Unemployment reached 20 percent. Argentines panicked; they withdrew their money from the national bank and exchanged pesos for dollars. In response, the government froze all bank accounts for one year, barring small weekly transactions. People protested. They began banging pots and pans. Then, they rioted. Just before the New Year, Argentina defaulted on \$132 billion in public debt.

The people are still protesting. They are still banging pots and pans and using historic landmarks as canvases for anti-establishment graffiti. Because they lack a unified voice, protesting is the only means Argentines have to participate in politics.

"There are no incentives for people to try to move up the ladder," Olivero says. "The incentive, if anything, is to work for the government. They even say the people who protest get paid."

When Argentina's current president Cristina Fernández de Kirchner came to power, she was called the "New Evita." However, today, her administration — which has disregarded international markets, transparency and continues to nationalize private industry while refusing to deal with a devalued peso and rising inflation — has lost favor among the people. While global economists value Argentina's inflation rate at 25 percent, the government insists the number is half. The government has also imposed strict pricing and exchange controls. Argentine businesses — even net importers — must now match imports with exports. Argentines who travel abroad must pay a flat 20 percent tax on credit card purchases. Today, children in Argentina's poorer areas are taught to read and write Cristina just as their grandparents were taught to write Evita.

During February 2012, the IMF censured Argentina for failing to accurately report inflation and GDP growth data. During the entirety of the Kirchner administration, Argentina has declined to participate in the IMF's yearly assessment. Cristina's business dealings include the nationalization of YPF oil, as well as a joint venture with Chevron. However, in 2011 Argentina became a net importer of energy for the first time in 27 years. Meanwhile, foreign currency wells have dried up. In 2012, a 70 percent currency devaluation sparked a massive spike in exports, forcing importers to increase prices three-fold or more.

The country is in the brink of another collapse.

During their residency, LeBow students stayed in the famous Hotel Savoy, which Evita called home for a spell in the 1940s back when she was still Eva Duarte. Throughout the trip, the students tasted Argentina's celebrated Malbec,

“ Growing up, as a 12-year-old, the topic at the dinner table was inflation and bankruptcy.”

lectures with 600 to 700 students crammed into a hall meant for 400.

sampled chops and chimichurri at world-class steakhouses, and learned to tango. They attended soccer games and ate extravagant desserts filled with dulce de leche.

During a cultural excursion to the Tigre Delta, an affluent community of summer homes on the Paraná Delta just north of Buenos Aires, they snapped pictures of homes that look no different than those you'd see in any U.S. resort community. Sergio Massa, the mayor of Tigre, is currently the opposition

government policies," he says. "What a mix! Imagine the difficulties of doing business in an export-driven country where your access to U.S. dollars is restricted by the government? The ability of these companies to not only deal with this economy, but even to thrive in the face of it, is inspiring."

Hexacta is an excellent example of survival of the fittest in a nation that has, in large measure, lost its will to adapt. This is not such an explosive statement if you consider the genotype.



NO + PARTIDOS POLITICOS
MANIPULÁNDONOS
CINE @ UV



leader of the newly minted Front for Renovation (FR) and is positioned to challenge Cristina for the presidency. He recently denounced Peronism as a movement that “permanently reconstructs itself.”

With each company visit, the students were confronted with another paradox: Argentina is still open for business, to an extent. One would think business has survived *despite* the turmoil. However, it became clear that the turmoil has become a crucible for natural selection. It was adaptive evolution that allowed business to survive the crises. To say that Argentine businesses have to be creative to adapt is an understatement. They have to change their stripes entirely.

During a visit to Hexacta, a software IT service and outsourcing company, students were amazed to see that money can still be made, despite what, by all indications, is an untenable economic environment. Hexacta thrives on employee retention. It must increase its employees' salaries twice yearly and constantly adjust its pricing model to combat inflation. Since 2008, their prices have tripled. They survive by out-planning the competition and staying agile — by growing their business in the United States.

MBA student Timothy Fitzsimmons, a Lansdale, Pa., resident who provides interim CFO services, echoed the sentiment of many of his classmates: “We saw overtly how a black market and bribes are part of the culture. While we were there, the president went out and bought votes by lowering tax rates. *While we were there.* But on the other side of the coin, life goes on in the street. The pizza shops are open. The buffets are still filled with food. The underground economy is the way things work. And if you're going to do business here, you can't be a naïve corporate America MBA. Small businesses like Hexacta are still the backbone of the economy. Hexacta is still trying to provide jobs and help society.”

Casey Dougal, Ph.D., an associate professor of economics at LeBow who attended the residency as a faculty liaison, was impressed by the ingenuity most companies must employ to stay afloat.

“Argentina has an export-driven economy, but isolationist

Argentina's last government-reported unemployment rate was 7.2 percent — but you could double it without raising an eyebrow. Some believe inflation has skyrocketed to 50 percent.

There is a saying in Argentina: “Vos sabés, es la Argentina! Otra crisis más... ya va a pasar...”

Its literal translation: “You know, it's Argentina! Another crisis more ... it'll be over soon ...”

There is a glimmer of hope. The next general election in October 2015 could usher in radical policy changes that might once again open Argentina to the world. How hard will it be to dig out of 70 years of subsidy? Is it possible? Perhaps the true answer isn't political. Perhaps it's up to the people. Failure doesn't have to be fatal. But failure to change is a different story.

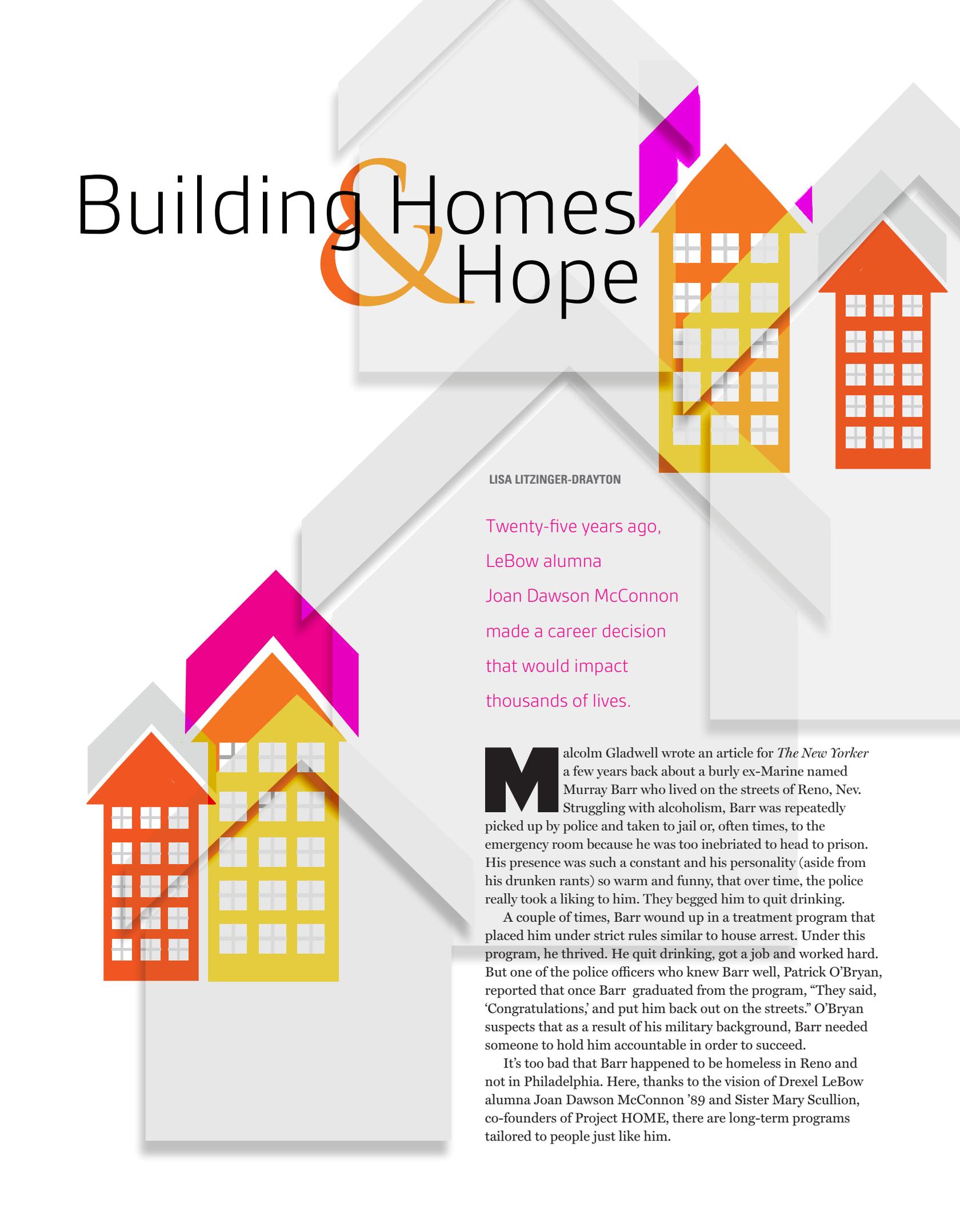
On the last full day of the trip, 44 LeBow students wearing business suits gathered on the steps of the University of Buenos Aires Law School for a group photo. By this time they were bone tired from 10 days of company visits and cultural excursions, group projects and intense discussions. Some wondered if maybe they would have had a different experience had they gone to Brazil or Chile, where numbers are rising. Would they have learned as much? Could they have absorbed more visiting an economy in ascent? Or a nation on top?

Standing on the steps that Juan Perón once intended to exemplify the ascent of the Argentine worker, they smiled for the camera and then dispersed. Some immediately re-boarded the bus. But a few walked over to the Plaza de las Naciones Unidas to take a picture of the remarkable mechanical flower, shining silver and broken in the midday sun.

Maybe one day it will work again. **MARKET ST**



Building Homes & Hope



LISA LITZINGER-DRAYTON

Twenty-five years ago,
LeBow alumna
Joan Dawson McConnon
made a career decision
that would impact
thousands of lives.

Malcolm Gladwell wrote an article for *The New Yorker* a few years back about a burly ex-Marine named Murray Barr who lived on the streets of Reno, Nev. Struggling with alcoholism, Barr was repeatedly picked up by police and taken to jail or, often times, to the emergency room because he was too inebriated to head to prison. His presence was such a constant and his personality (aside from his drunken rants) so warm and funny, that over time, the police really took a liking to him. They begged him to quit drinking.

A couple of times, Barr wound up in a treatment program that placed him under strict rules similar to house arrest. Under this program, he thrived. He quit drinking, got a job and worked hard. But one of the police officers who knew Barr well, Patrick O'Bryan, reported that once Barr graduated from the program, "They said, 'Congratulations,' and put him back out on the streets." O'Bryan suspects that as a result of his military background, Barr needed someone to hold him accountable in order to succeed.

It's too bad that Barr happened to be homeless in Reno and not in Philadelphia. Here, thanks to the vision of Drexel LeBow alumna Joan Dawson McConnon '89 and Sister Mary Scullion, co-founders of Project HOME, there are long-term programs tailored to people just like him.



McConnon grew up one of six children in a devout Catholic family in Springfield, Delaware County, that viewed volunteer service as an expression of their faith. Her parents clearly modeled and instilled in their children the expression of St. Francis of Assisi. “Preach the Gospel always. If necessary use words.”

After earning a bachelor’s from Pennsylvania State University, she began a brief career in accounting before coming to Drexel LeBow on a graduate assistantship. She assumed that upon finishing her M.S. in taxation she would pursue a career in the tax accounting department in one of the city’s large public accounting firms.

During her years studying at LeBow, she was compelled to continue practicing her faith through acts of service. After completing her classes and teaching responsibilities on any given day, she would head out into the night, to the cold, hard streets of Philadelphia, to perform outreach and volunteer with Mercy Hospice and Committee for the Homeless.

Through the people she met in the shelters, and a budding friendship with a nun named Sister Mary Scullion, a higher calling was revealed to her.

Scullion had joined Sisters of Mercy in 1976 and has been advocating for homeless and mentally ill men and women since 1978. They were not content knowing that certain individuals were not given shelter options. Specifically, the city of Philadelphia’s shelter system refused to house individuals who had been drinking. Many of those living on the streets struggled with addiction, McConnon says, and many were veterans who were afflicted with mental illness.

“Sister Mary and I shared the common vision that every person has dignity and deserves a safe, welcoming place to live,” McConnon says. So in the winter of 1989, they worked with the city to open an alternative emergency shelter at the Marian Anderson Recreation Center that would welcome those who were not able to enter the city’s shelter system. They set up 50 cots in in the locker rooms and named it the Mother Katherine Drexel Residence in tribute to a deceased nun who had recently been beatified by Pope John Paul II. Mother Drexel, the niece of Anthony J. Drexel, has since been canonized.



JOAN MCCONNON HELPED SET UP AN EMERGENCY SHELTER FOR THE HOMELESS WHILE STUDYING TAXATION AT DREXEL LEBOW.



DREXEL UNIVERSITY TEAMED UP WITH PROJECT HOME TO DEVELOP ART FOR AN EXHIBITION AT THE URBN CENTER TITLED "ARTISTS FOR ALL SEASONS," WHICH FEATURED WORKS BY PROJECT HOME RESIDENTS.



At the same time McConnon was helping to run this shelter, sleeping in shifts, she was writing her master's thesis on low-income housing tax credits. The government's intent with the LIHTC program was to increase the number of affordable rental housing units across the country. While the program provides critically needed resources to build affordable housing, it must be coupled with long-term rental subsidies and support service funding in order to permanently break the cycle of chronic street homelessness.

While much has been accomplished since the first winter shelter 25 years ago, the main problem that existed remains today: There aren't sufficient units of affordable housing.

McConnon started thinking about combining her passion for solving homelessness with the knowledge she acquired in her research. It occurred to her that the theory of social enterprise – using commercial strategies to maximize improvements in human and environmental well-being rather than maximizing profits for external shareholders – might be a viable solution to creating more affordable housing. "I had this question in my mind: 'What if we built affordable housing where instead of the profits earned through that endeavor benefitting a few partners, we reinvested those profits into funding the next building and the next building?'"

With support from the men who lived in the first winter shelter, the staff of Bethesda Project, the Connelly Foundation and the Sisters of Mercy, Project HOME (acronym for Housing, Opportunities for Employment, Medical Care, and Education) was born. Over the past 25 years, Project HOME has evolved into a major developer of housing and a provider of comprehensive services for homeless men, women and children and those at risk of becoming homeless.

Today, Project HOME provides a range of services from street outreach (teams work around the clock seven days a week) to long-term housing and job training. Today, it is widely acclaimed for its multi-faceted support system that's designed to help people stay off the streets long term. Project HOME services include community-based health care and treatment for mental health and addiction issues, adult education and after-school programs, an employment program that provides residents with jobs at a resale boutique and cafe run by Project HOME, even an alumni program to ensure that people have a caring community when they move out of supportive housing and into more independent living situations.

Education is an important part of Project HOME's strategy to end homelessness. In 2004, it opened the Honickman Learning Center and Comcast Technology Labs, an education and technology center with programs that focus on the integration of technology with art, education and enterprise. Last year, Drexel's Westphal College of Media Arts & Design began a partnership with the Project HOME's Art Program, which invited Westphal students and the resident artists to share their talents. An exhibition of Project HOME artists' works was held at Westphal's URBN Center.

Drexel photography student Charles Cerrone, who also photographs for *Market Street* magazine, participates in this partnership. He spends two hours each Monday with the Project HOME artists, helping out "any way I can." Some days he helps the residents with their photography or mixed media art; other days they just talk.

“

I had this question in my mind — what if we built buildings where instead of keeping the profits, we invested them in building the next building and the next building?

”

He's done videography to help the artists market their art, and says some of the Project HOME artists have been successful in supplementing their incomes through the sale of their works. At the Drexel exhibition, artist Doug Sanders sold 13 pieces, and James Webster landed a commissioned project from an attendee.

Scullion says one of the great things about art is that it can help to break down social boundaries. “I think it's remarkable what the Drexel artists and the Project HOME artists have achieved in their collaboration. Art has a unique ability to unite us on more of a level playing field.”



Cerrone says the residents really benefit as a result of the art program. “I've heard a lot of stories. After their lives fall apart, they start to rethink their creative energy, and they get to create something, express themselves and get in touch with their creativity that doesn't really cost them money. It helps them to get their lives back on track.”

These artists are residents of Project HOME's long-term supportive housing. Perhaps the most visible results of the organization's success are the newly constructed and renovated residences that house formerly homeless and low-income individuals and families all over the city; they are a direct result of the vision of the Project HOME community to solve the shortage of low-income housing. The residents pay 30 percent of their income for rent. Project HOME keeps its overhead as low as possible, takes no profits, and reinvests any money left over into developing more housing and services.

SISTER MARY SCULLION, FAR RIGHT, CO-FOUNDED PROJECT HOME ALONG WITH MCCONNON.





THE NEWLY OPENED JBJ SOUL HOMES AT 15TH AND FAIRMOUNT.

All told, about 700 individuals who require low-income housing now have a safe place to call home. Through successful partnerships with community and government organizations, and with the help of generous gifts and grants, 535 of these units were constructed from the ground up by Project HOME.

Project HOME's most recent development is the four-story JBJ Soul Homes (one of its major funders is Jon Bon Jovi). Located at 15th and Fairmount streets, its 55 apartments now house formerly homeless individuals.

Project HOME is working with another nonprofit, the Philadelphia Chinatown Development Corp., to develop a nine-story, 94-unit apartment building on a formerly vacant lot at Ninth and Arch streets. A *Philadelphia Inquirer* article about the partnership reflects how the organization's success has changed attitudes: "Twenty years ago, news of a residence for formerly homeless people was typically met with neighborhood resistance. Today, the group is welcomed as a partner."

A study by Drexel LeBow adjunct instructor Stephen Mullin's consulting company, Econsult Solutions, found city neighborhoods that have Project HOME developments see home prices rise significantly faster than homes in other neighborhoods. "In addition to their well-deserved accolades in providing housing for those in need, their investments are also effective economic development drivers, making neighborhoods more attractive and hence more valuable," Mullin says.

Long-term housing solutions also save significant dollars. A recent Project HOME study titled *Saving Lives, Saving Money* concluded that permanent supportive housing can yield cost savings averaging more than \$7,700 per person annually. In fact, the top 20 percent of the chronically homeless who also struggle with substance abuse cost the city of Philadelphia approximately \$22,000 per year, per person, in behavioral health services, homeless services and incarceration.

Mayor Michael Nutter is quick to credit McConnon for her service to Philadelphia. "I am very proud of Joan's contributions to the city and know that she will continue to work hard until, as Project HOME's motto says, 'all of us are home.'"

Scullion says McConnon's vision has made their organization's growth, development and mission possible. "She is phenomenal. I've worked with her for 25 years, and every year my love, admiration and gratitude for her grow stronger."

Recalling the decision to devote her career to Project HOME instead of the big accounting firm, McConnon says, "There were

a lot of people who wanted to work for the public accounting firms, but there were not a lot of people willing to work with the chronically homeless men and women I had gotten to know. I was single at the time, and I lived simply, so it wasn't a big sacrifice."

McConnon now resides with her husband, Mark, and three children, James, 16, Annie, 14, and Sarah, 12, in Springfield, where she grew up. She says the ability to take her skillset and apply it to solving a tragic injustice in our society is one of the blessings of her life. "To spend my day working with the passionate, brilliant and creative members of the Project HOME community has transformed my life and has allowed me to instill in my children the legacy of my parents: that our faith is a call to action on behalf of women, men and children who are marginalized in our society.

Since its inception, Project HOME has helped thousands of people who were formerly living on the streets or at risk of winding up there. And while public perception is not generally that people are able to break the cycle and succeed, Project HOME has proven otherwise: The organization's permanent supportive housing facilities have a one-year retention rate of about 95 percent.

Advocates estimate that Project HOME has reduced Philadelphia's homeless population by half. The city has the lowest estimated rate of homelessness among major U.S. cities at about 1 in 3,095; New York City's rate is about 1 in 2,555, Chicago's is 1 in 1,661; and Los Angeles' is 1 in 378.

In 2011, McConnon and Scullion were jointly awarded the University of Notre Dame's Laetare Medal, the oldest and most prestigious honor given to American Catholics, in recognition of their good works.

But instead of focusing on her successes, McConnon prefers to keep the focus on the work left to do. She points out that thousands of people are currently on waiting lists for subsidized housing in the region – and the wait is usually longer than three years. She says the effects of the economic downturn have been crippling: It has increased the number of people living on the streets and reduced the government funding devoted to helping them. Project HOME has been increasingly challenged due to cuts at the state and federal levels.



In his *New Yorker* article, Gladwell reported that those familiar with Murray Barr's stints in the back of a police car, in prison, in rehab, at the emergency room and during hospital stays, surmise that the cost of managing his illness over the 10 years he spent homeless in Reno would have *easily* added up to \$1 million. "It probably would have been cheaper to give him a full-time nurse and his own apartment," Gladwell wrote. But despite all the resources devoted to Barr, he died on the streets in 2005.

"Still, today, it's just unconscionable to me that we allow homelessness to happen, simply because of the way we allocate resources," McConnon says. MARKET ST

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Caroline's Holiday

CAROLINE CUMMINGS
ISN'T COMFORTABLE
UNLESS SHE IS
UNCOMFORTABLE.
AND THAT'S JUST
FINE BY HER.

JOSEPH MASTER

Remember the scene in the 1953 classic *Roman Holiday* where a royally repressed Princess Anne (Audrey Hepburn) seizes the handlebars of that iconic Vespa? In two spectacular seconds her eyes animate the full breadth of human emotion — from dread to anxiety to joy. She revs it; feels it quiver and pop into gear. And as she thrusts forward, she lets out a cathartic welp! When Joe Bradley (Gregory Peck) jumps on and attempts to take over, she says “No!” But what she’s really saying is “Yes!” This isn’t fear. It’s bliss ...

Caroline Cummings ’01 simply adores *Roman Holiday* — and Audrey Hepburn, too. Sometimes, when she’s mentoring or pitching an idea to investors, she deliberately channels Audrey. There’s Audrey the elegant actress and Audrey the gracious UNICEF ambassador. And then there is *Roman Holiday* Audrey: the blossoming star. Caroline loves that the film was Hepburn’s coming out — and that she nabbed the Oscar for her first major role. The theme is more important than any scene, though. It’s about getting out of your comfort zone, she says. It’s those daily reminders of just how vast the world is — and how sometimes you need to push yourself to find your place.

Caroline Cummings didn’t find success on day one, but she’s earned herself royal status within Oregon’s startup community. And she has accrued enough cathartic moments to make Princess Ann jealous.

Cue the opening credits. We fade in on a tomboy — the kind of girl who actually pretended to be her brother to win a BMX bike race — standing on a sidewalk in Mays Landing, N.J., a town not far from the boards of Atlantic City where Caroline will one day labor. Caroline is 9 years old, and she’s hustling her neighborhood friends on the sidewalk. The prize? Baseball cards. The collateral? Doritos.

“You had to know the market and know your audience,” she remembers. “I knew that Brooke down the street wanted Doritos, so I dangled my snacks as the carrot. We were dealing, and it felt great. We didn’t realize we were doing business. But I got my Mike Schmidt and Pete Rose cards.”

OK. Now is a good time to let you in on a secret: Today, Caroline Cummings might very well be the most charming woman in the world. She’s classically beautiful — and there is even a hint of Hepburn in her features. But her lure is her voice. The way she talks. How she puts you at ease with tone and timbre. “Sit down,” she’ll say. “Relax. Let me get you some coffee.” And she means it. She wants you to relax. Talk to her for five minutes and you’ll feel like you’ve known her for a decade. Spend an afternoon with her and she’ll send you a care package of wine. So imagine her at age 9: Pygmalion’s uncarved Galatea. All talk, none of the polish she will one day radiate. She might have been armed



with snacks, but her mind did the dealing. Caroline Cummings speaks headlines. She makes idioms like the rest of us make carbon dioxide.

Here's one: "Life comes down to three things," she says. "Knowing when to take an opportunity that comes your way, knowing when to pass on an opportunity and knowing when to offer one."

The minute she says it, you think you've heard it before. Caroline leans back, watches you digest her words. Because she knows she's got you. She just grabbed an opportunity and ran with it. And you can either eat her dust or hop on that Vespa. Because it's going to be one hell of a ride.

...

In 2008, Caroline stood alone on a stage in Portland's Governor Hotel and persuaded more than 400 angel investors to award her fledgling startup, OsoEco — a social networking community for sharing green products and services — \$57,000 in seed capital. That's right: Caroline Cummings talked her way to victory in the annual Angel Oregon competition held by the Oregon Entrepreneurs Network — the largest conference of its kind in the Pacific Northwest. And she did it pitching an app that didn't even exist yet — with nothing to show but wireframes and screenshots. OsoEco had already raised more than \$400,000, though. She was dealing.

Caroline had moved to Eugene, Oregon, with her husband, James, four years earlier, and it had taken years of false starts and hard-knocks to get to this point. She was

herself that she inspired others to follow her lead. She co-founded SmartUps, a group of entrepreneurs, investors, service providers, mentors and community leaders who meet regularly for Pub-Talks to pitch new ideas. She has since gifted SmartUps to the Eugene Area Chamber of Commerce. She also created the Southern Willamette Angel Network, a group of investors who meet regularly to review emerging growth business plans.

At its height in 2009, OsoEco, which strove to be an eco-friendly Pinterest years before pinning was in vogue, had six employees — with Caroline at the helm as CEO.

“I knew I was doing something right because I was scared to death,” Caroline remembers.

But OsoEco failed. And it hurt. Caroline immediately entered into a two-year period during which she became a self-described “entrepreneur in recovery.”

“We don’t want to say failure,” she says. “We don’t want to say the F word. And in our culture, we think melancholy is a bad thing. But I think it’s more important to have and embrace those moments of melancholy.”

So she called other CEOs and asked them why she failed. And she found out. Chalk it up to due diligence and importance of forming the right extended team. Or, as Caroline says: “If you need to be a BMW, don’t be a Toyota.”

“Through self exploration I discovered all the things we did wrong,” she says. “But I also discovered what we did right. And I realized from the help of others that I want to be that kind of mentor who can provide other people like me with similar advice moving forward.”

During her recovery period, Caroline started her own consulting agency and was hired by the Eugene Area Chamber of Commerce and the Oregon Entrepreneurs Network to start new entrepreneurial programs and angel investor groups. She circulated a presentation called “the Top 10 Reasons Why Startups Fail” — which she hopes to one day adapt into a book called *The Power of the F Word*.

With Caroline’s growth, so grew Eugene’s startup community. She willed it with her Pub-Talks. And she knew she was on the right track because she was scared every day. Investors took notice. Behind closed doors they told her: “Let me know about your next gig, because I. Will. Fund. You.”

Caroline’s second venture, RealLead, a mobile marketing application for real estate that uses QR code technology to capture authentic, quantifiable leads for realtors, sold to IDX Broker in early 2012.

The operation, which Caroline co-founded, was set specifically to scale quickly for acquisition. It was a marvelous moment. Caroline hasn’t looked back since.

...

In 1999, a 29-year-old Caroline Cummings came to Drexel as a nontraditional freshman. She had already attended the Art Institute of Philadelphia out of high school, as well as community college — followed by a five-year hiatus during which she worked the casino floors, retail stores and restaurants in Atlantic City. She grew up working class, but she was ready for a different set of lapels.



WEEKLY 10-MINUTE STANDING MEETING WITH THE PALO ALTO SOFTWARE TEAM.

unemployed for the first time since her early teens and hungry to make her mark as an entrepreneur.

So she volunteered. She mentored with Big Brothers Big Sisters of Lane County (she still does and is a past-president of their board of directors). She networked with entrepreneurs and even solicited the advice of a change management expert from the University of Oregon. Soon, she ditched her Philly business suits for jeans and paved her own way.

“You have to go get it,” she says. “When people ask me the definition of entrepreneur, I say it’s two things: Making something from nothing and being comfortable being uncomfortable most of the time.”

By 2008, Caroline was gloriously uncomfortable. She had become an influential voice among Oregonian entrepreneurs — and she did it by remaining humble enough to ask for help, while believing so thoroughly in

“My *Roman Holiday* breaking out was going to Drexel,” Caroline says. “Until then, I lived this life working in food, beverage and retail. I’d work all day running the store, and then at night selling drinks on the floor. I had to break out. Moving to Philly and enrolling at Drexel all on my own made me a better, stronger person.”

She majored in corporate communications, but it was business that eventually won her heart. She took on two co-ops at Bristol-Myers Squibb. She didn’t live in the dorms, but rather at the haute corner of 17th and Walnut, less than two blocks from Tiffany’s. “This was important because I love Audrey so much,” she remembers. “It was my therapy.”

Her best friend at Drexel was Chimamanda Ngozi Adichie — a Nigerian-born aspiring writer who has since become an internationally renowned poet, novelist, MacArthur Foundation Fellow and Ted-talker. To this day, they remain close.

“Caroline was more experienced than the average student. She was better dressed and very pretty, too” Adichie remembers. “She was warm, intuitive, and she didn’t have the slightest bit of the kind of arrogant ignorance that I had encountered in some American classmates. She asked questions if she didn’t understand something, but always in an open and honest way, with no baggage. I loved her sense of humor. She had what I like to call a good B.S. detector.”

It was while on co-op at Bristol-Myers Squibb (Caroline was hired after graduation) working as an “intrapreneur” — responsible for inward-facing projects and internal fundraising — that Caroline encountered her first mentor: Susan O’Day, then-CIO for the company’s IT department. Caroline made an unsolicited call to ask Susan O’Day out for coffee. She never expected her to pick up the phone.

“I had no idea I was looking for a mentor,” Caroline says. “I thought I was looking for an advocate. However, it was strategic. I was calling for a reason. I knew I wanted help from a woman in the top tech position in the company. And she became an excellent mentor who helped me navigate the hierarchy and get hired after graduation.”

...

Cut to Caroline at a desk, or at her kitchen table — sitting across from a young girl, or even a teenager. Maybe they have their laptops out. Maybe Caroline is brushing the girl’s hair.

They’re talking about life: dreams, passions, failures, triumphs. They’re laughing. Trading funny stories. Caroline isn’t wagging her finger and dispensing wisdom. It’s just a conversation. If an opportunity arises for Caroline to offer advice, she takes that leap. This is what mentorship looks like. Spend an hour with Caroline, and she’ll try to mentor you. You won’t even know it’s happening until it’s too late.

“Where do you want to be in five years?” she’ll ask. And before you can answer she says: “Do you have a plan? You have to have a map!”

Since attending Drexel, Caroline has been a passionate mentor to more young women than she can count. First she offered after-school homework assistance through a nonprofit started by Philadelphia Phillies legend Garry Maddox that



“
**My Roman Holiday
breaking out
was going to Drexel.**
”

supports education for urban youth. She hasn't been able to stop since.

Today, she is mentoring an 8-year-old girl through a program called A Family For Every Child that is devoted to foster children awaiting their forever homes. She has also been mentoring a 23-year-old named Whitney for the past five years through Big Brother Big Sisters, as well as several other young women she met while guest lecturing at the University of Oregon.

During the spring of 2012, she traveled with Mercy Corp, a Portland-based top-100 nongovernmental organization, to post-revolution Cairo, Egypt, where she delivered a series of workshops on raising capital, angel investing, and due diligence to a group of Egyptian entrepreneurs — many of them women.

"They're not weaving baskets," she says. "They're creating iPhone apps and really cool stuff. But because of the culture, once their businesses become successful, some of their husbands want them to close down. So, I went over to do some mentoring."

Among the long list of her own mentors is Mike Edwards '83, executive vice president of global merchandising for Staples. Edwards was present when Caroline won Angel Oregon, and he was there when OsoEco failed.

"It never crossed my mind that Caroline wouldn't get right back up," Mike says. "Great entrepreneurs know how to fail fast and succeed fast. I found it personally motivating to be around someone who was that passionate about creating a company and creating opportunities. So, she inspires me. Today, our relationship is still strong as it ever was. We have great conversations."

Says Caroline: "He stuck with me through all the failure and success. He has mentored me all along. And now we mentor each other."

Today, Caroline is vice president of business development for Palo Alto Software, the developer of LivePlan, an online tool that helps entrepreneurs create pitches and investor-ready business plans. LivePlan integrates with accounting systems like QuickBooks and Xero, and displays management metrics. It provides for small businesses what Mint.com does for personal finance.



MENTORING BAILEY KOHARCHICK. BAILEY WAS AN INTERN FOR CAROLINE AT REALLEAD AND WAS LATER RECRUITED BY PALO ALTO SOFTWARE.



Caroline was already familiar with the product when she came on board just weeks after the RealLead acquisition. In fact, she used LivePlan to write RealLead's business plan. She's got a beautiful office in a prototypical startup headquarters full of exposed brick and steel beams in the heart of downtown Eugene. She makes a point to always keep her door open.

So, back to Audrey and that Vespa scene from *Roman Holiday*. As Princess Anne navigates through those crowded Roman streets, her welps turn to joyous screams. She takes a couple of wide turns. She starts and stops. But just as she whips through the Piazza di Spagna by the magnificent Spanish Steps, she finally ... safely ... and most certainly ... hits her stride. **MARKET ST**

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SCAN





Don't Feed The Analyst

MARK EYERLY

When Brian Johnson was growing up in Philadelphia's Lawncrest neighborhood, he and his mother made frequent trips to the Philadelphia Zoo. She even worked in the children's zoo one summer in college, but young Brian's favorite animals were the lions and tigers in the carnivore house.

"I couldn't believe their paws were the size of my head," he says.

These days he gets to pay it forward by taking his friends and their children to the zoo, with one big enhancement: He can give them an insider's tour. Johnson is the Philadelphia Zoo's financial analyst.

Like many Drexel graduates, his career began with his first co-op, in this case working at the zoo in accounts payable. His next co-op was at the zoo as well, with exposure to marketing and administration.

"When you prove yourself here, they give you more opportunities," Johnson says. "I've always had that opportunity to expand what I'm doing, and I'm still having a great learning experience."

Johnson's responsibilities extend beyond the balance sheet and tax returns. He analyzes operational trends to generate forecasts, creates budgets and financial reports for various philanthropic efforts, and participates in strategy discussions for key programs, including membership and community access for Title I schools.

An essential set of his responsibilities focuses on what makes the zoo the second-highest-visited ticketed attraction in the Delaware Valley behind the Phillies — their guests. One piece of this responsibility is forecasting the daily attendance based on long-term weather forecasts, marketing efforts and external factors.

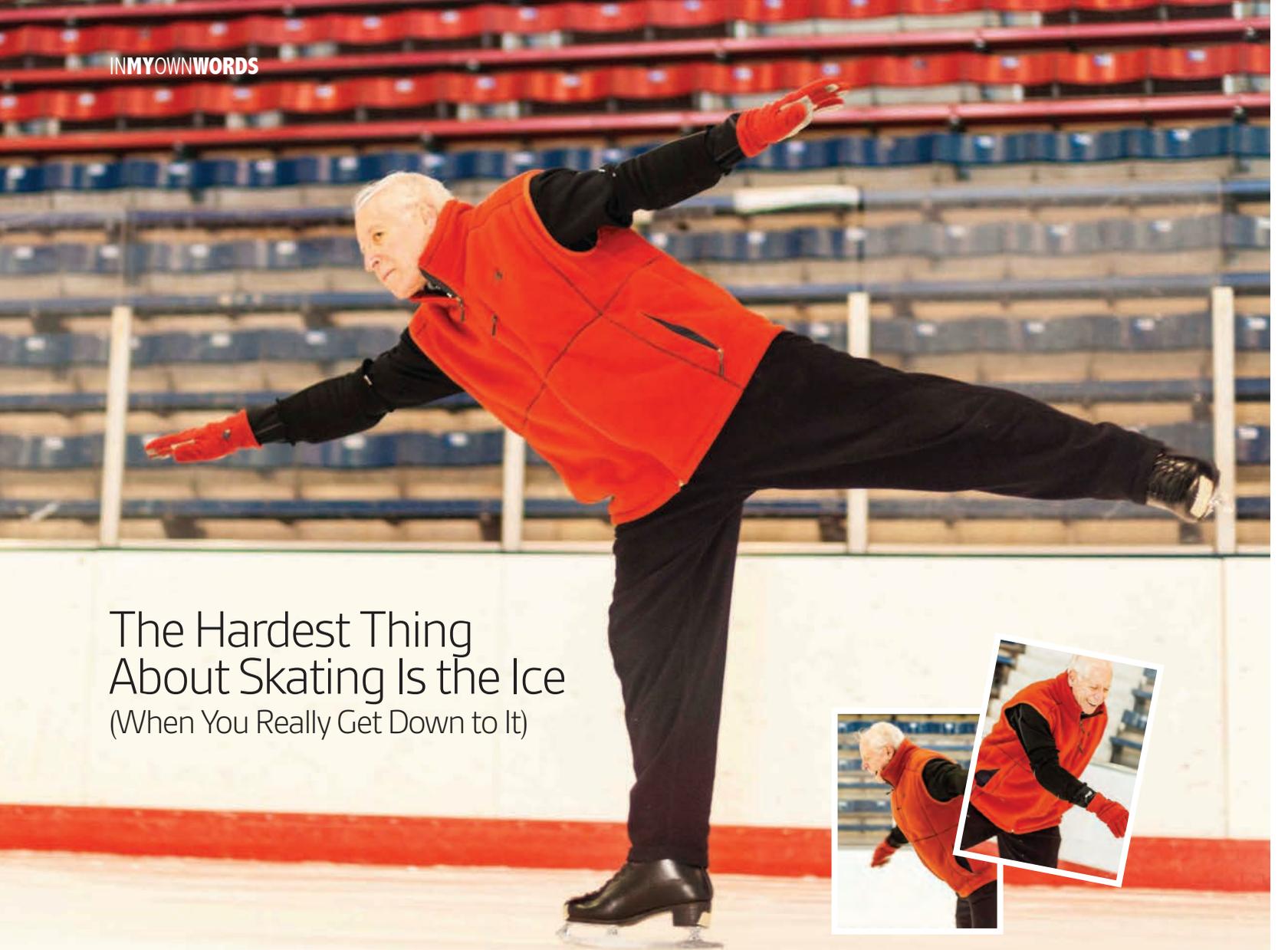
"We can range from less than 100 guests on a cold winter day to more than 12,000 during 'Boo at the Zoo,' so accurate attendance forecasts are a necessity and greatly affect our daily operations."

Sometimes during the off-season when the weather is unseasonably nice, the zoo can still have one of those 'big days.' On those days it's "all hands on deck," Johnson says.

"I've been called on to help scan tickets, help guests find their way, answer their questions about our animals, even be a monitor in KidZooU making sure our guests aren't chasing chickens or being too rough petting the goats."

The best part of the job? Name another financial analyst who gets to hand-feed eucalyptus to the giraffes.





The Hardest Thing About Skating Is the Ice (When You Really Get Down to It)



STEVEN R. SHER

I began my love affair with the ice as a teenager, skating at public rinks, going ‘round and ‘round, forward and even backward. Without any instruction, however, that’s as far as I got. In high school, my friend Jack and I went to a rink on Roosevelt Boulevard several times a week each winter, skating and trying to find dates in what we thought was the girl-rich Northeast. No girls, ever, but we had a ball weaving in and out the slower, older skaters, kicking ice chunks while pretending to play ice hockey (or perhaps ice soccer). We never fell.

Through college, law school and young adulthood, I skated a lot less, but with more success finding dates. But by the time I moved into my second house, I hadn’t been to a rink for some time, and I reluctantly tossed out my old, now too-small skates. At some point I tried in-line skating, but the protective gear, the difficulty in stopping, and falling on the

pavement (ripping exposed skin) quickly soured me on that. So I decided to give the ice another try. And to take lessons!

Sporting goods stores didn’t sell men’s figure skates, but a salesman advised me to visit the pro shop of a skating club. There, a pro fitted me with a medium-level real skate boot and a blade with a full beginner’s toe-pick. On my first outing in many years, in February 1998, I fell more than a dozen times, but I quickly got used to the toe-picks and rediscovered my skating legs. From that point on I rarely fell.

Soon I began adult group lessons, learning some basic jumps and spins (skating lingo: tricks). Shortly thereafter I added private lessons, where I refined my tricks and slowly began to learn new ones. I still loved skating.

In 2004, I began to compete in adult competitions. I synced my teaching schedule to match the rinks’ schedules,

and I ramped up my private lessons and even attended adult weekend skating camps. Now my coaches (private and group) included Olympians, national and international medal winners, and even their coaches. Heady stuff. I actually know many of the famous skaters you see on TV.

Today I am in my third pair of custom skate boots and on my sixth pair of blades. I compete several times a year and skate in local shows. I’ve won my share of medals, many of them gold.

Adult skaters are a supportive group, so I’ve made many good friends. You’d be surprised how many of us are lawyers, doctors, and have Ph.D.s or other advanced degrees — most of us! And I love it more than ever.

STEVEN R. SHER, J.D., IS AN ASSOCIATE PROFESSOR OF LEGAL STUDIES AT DREXEL LEBOW.

Life Lessons From My Trip to Mexico

MATHILDE BERGER

I had heard many times that I would learn a lot about how to conduct business on co-op. That was definitely the case – but I also learned a great deal about how not to conduct business.

During my first co-op with MEI, the world's leader in manufacturing bill and coin acceptors, I helped coordinate the company's plastic parts suppliers. The biggest project I took part in was a supplier transition. One of our suppliers, headquartered in China, was closing a facility in Guadalajara, Mexico. As if effectively communicating with three facilities on two different continents wasn't challenging enough, the facility shutdown was confidential; no one in Mexico knew.

Our main worry was ensuring sufficient inventory to meet demand during the move. This meant daily calls with the Mexico plant to ensure they were producing the right parts at the correct levels. The worst part was being on the phone with the same woman every day, knowing something so crucial about her life while she had no idea. I couldn't help but feel guilty.

My supervisors sent me to Mexico for two weeks to facilitate the transition. I would arrive the day of the factory closing, a Monday. I remember hanging up the phone with my Mexican friend the Friday before leaving, and thinking that the next time I talked to her would be in person, the big secret now exposed.

We landed in Guadalajara while all of the workers were being told that they no longer had a job. We decided it best to not go to the facility that day (confused and angry workers might have thought it was our fault). We did go the next afternoon, and there were still a few stragglers picking up their last paychecks. We encountered some gentlemen leaving the building. They noticed us; there was no doubt about who we were and where we were from. We had no idea what their reaction would be. However, they were very nice and struck up a good conversation with us. This was quite



bittersweet for me. I was relieved, but I also felt sad that such nice people had lost their jobs. Had I been in their shoes, I would have felt betrayed.

In the end, the trip demonstrated for me that seemingly straightforward corporate decisions can have a very large impact on individuals. Of course, there were reasons for the closing, but executives at MEI pointed out that the situation could have been handled better. The Chinese feared a strike, or that the workers would rebel, break equipment and otherwise sabotage the facility if they knew it was going to close. This was a valid concern, but as we tried to explain to them, the supplier we were switching to was looking to hire additional workers to support the large amount of business we were bringing in. Had the workers been told there were new opportunities for employment at the other facility, they would have had an incentive to be "on their best behavior."

The team of Mexicans I worked with was incredible. The weekend following the closing, our colleague Luis was kind enough to show us around the historic town of Querétaro. It was breathtaking: cobblestone streets lined with houses of bright colors, intricate statues showcasing pieces of the town's story, intriguing and appetizing marketplaces.

That Sunday morning, I grabbed a book and wandered around until I found a pleasant spot next to an ornate statue surrounded by charming little restaurants. Sitting there, absorbing my surroundings and the southern sun, I took a moment to truly appreciate how lucky I was to have had such an amazing learning experience.



MATHILDE BERGER, A JUNIOR BUSINESS AND ENGINEERING MAJOR, HAS COMPLETED CO-OPS AT MEI AND MERCK. SHE SPENT A SUMMER AS A STAR RESEARCH FELLOW AND PRESENTED SOME OF HER FINDINGS ON SPACE DEBRIS TO NASA AT A CONFERENCE IN COCOA BEACH, FLORIDA. SHE HOPES TO WORK IN OPERATIONS MANAGEMENT AFTER GRADUATION.

THE GREAT COURT SIT-IN

ROB SIECZKIEWICZ

On April 5, 1968, the day after Dr. Martin Luther King was assassinated, Drexel President W.W. Hagerty canceled classes at the Drexel Institute as a sign of respect for Dr. King and his ideals.

President Hagerty often noted how Drexel faculty used their scientific and technical expertise to address urban problems, such as air pollution. But the specific problems facing African-Americans that Dr. King decried in his speeches — like poor housing, inadequate schools and lack of jobs — had not previously seemed urgent to the leadership of the Drexel Institute.

But at this point in history, Drexel found itself suddenly challenged to do more, to be a better neighbor. The immediate trigger was not Dr. King's movement or his assassination, but a sit-in right here on campus.

In 1969, Drexel planned to build a new women's dormitory on Arch Street, near Kelly Hall (then a men's dorm), with more buildings to follow. The residents of Powelton, alarmed at the threat of their houses being demolished, protested the expansion. Residents, joined by Drexel students, began to occupy the Great Court in the 1960s phenomenon known as a sit-in. A battle of words — and of lawyers — was waged.

Drexel soon awakened to its responsibility to its neighbors, creating an Office of Community Affairs in 1970. The Office sought to establish a working relationship with the community leaders of Powelton, Mantua and

Belmont. It worked to address the educational, employment and recreational needs of these communities, which included about 33,000 Philadelphians, a third of them children. Many of the adults in these neighborhoods had not completed high school, and few attended college.

The Office of Community Affairs launched a "Neighborhood Youth Corps," employing 60 young people on campus. The Office organized recreational athletic leagues and a Children's Repertory Theatre. Drexel also launched Project M.A.P.: Motivation, Application, Preparation — to give neighborhood high school students a learning-friendly atmosphere to prepare them for study at Drexel.

For nearly 45 years, while there have certainly been bumps in the road, Drexel has worked with its neighbors to plant the seeds of a better Philadelphia.

"Dr. Hagerty, I would like to raise a point at this time. There seems to be a fundamental misunderstanding. The community is not asking to be consulted in an advisory capacity to further planning which Drexel carries out with full authority to carry it out. The community is asking to be met as equals with Drexel Institute in negotiations to jointly, as equals, plan for this neighborhood."

Gerry Goldin

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