Nine years,
The Deanship of Richard Schmalensee
lifelong legacy
**Sustainability at MIT Sloan**

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14 Meet the We breed

These days, an increasing number of business students are focused on socially responsible practices and committed to efforts aimed at reducing the gap between the “haves” and the “have-nots.” Meet several MIT Sloan students who are putting their education, skills, and passion to work to improve the world we all share.

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**Nine years, lifelong legacy**

**Cover story**

22 Stepping down after stepping up

The accomplishments of his nine-year deanship are very clear: steering the School through the dot-com rise and fall; spearheading major curriculum evolution; and tirelessly fundraising for the new building project. But what’s it really been like for Richard Schmalensee to be dean? And what will he miss most when he turns over the reins? Here—with his trademark sense of humor—Dick gives a behind-the-scenes look at highlights from his tenure and a sneak peek at what’s next for the soon-to-be dean emeritus.

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**On the cover**

What it’s really all about

Building relationships that last

Spending time on the benches in the Tang foyer, Dean Schmalensee gets some final words of wisdom from several of his most important constituents. Special thanks to the students who volunteered to be part of this photo shoot (pictured clockwise from bottom left: Alex Min, MBA '07; Sana Khareghani, MBA ‘07; Chris Johnson, MBA ‘08; and Shannon Damen, MBA ‘07; Not pictured: Carlos Rivera, MBA ’07; Alice Chen, MBA ’07; and Alex Slawsby, MBA ’07). Photograph by Tony Rinaldo.
Dear Alumni and Friends of MIT Sloan:

This issue of *MIT Sloan* magazine marks a time of great celebration (and a bit of sadness) for the School. As Dean Schmalensee steps down from a long and successful deanship, we take a look back at the past nine years and all that MIT Sloan has achieved during his tenure. We also look forward to an equally successful future and explore the first exciting steps toward the creation of the new MIT Sloan campus.

It was particularly fun speaking with the dean for our cover story, as he shared his reflections on School milestones and his personal thoughts on being dean. We will certainly miss working with him and the easy humor he brought to our work together.

In keeping with this issue’s themes of reflecting back and moving forward, our feature story explores one of the School’s key accomplishments over the past decade: the emergence and ever-growing popularity of courses and projects that focus on socially responsible business. Here, we tell the story of how students, faculty, and alumni alike are using their management knowledge to change social, environmental, and economic arenas for the better.

This issue also features what has become an *MIT Sloan* magazine staple: content that our alumni played a major role in creating. Thanks to your updates, the Class Notes section is once again packed with news of personal and professional developments in the lives of our alumni. In our alumni profiles, we delve more deeply into the career journeys of six alumni who have chosen slightly less traditional roles and industries—including two alumni working with major professional sports franchises. And staying true to our goal of providing the MIT Sloan community with extensive news about the School and our alumni, we are pleased to bring you the latest in community and campus news.

We hope you enjoy this new issue, and as always we welcome your comments and suggestions at editor@sloan.mit.edu. We look forward to your feedback and to your future updates.

Best regards,

Tammy Cupples and Michelle Choate

Editors Michelle Choate and Tammy Cupples with Dean Schmalensee.
MIT Sloan welcomes letters from our readers.
What do you think about this issue?
E-mail us at editor@sloan.mit.edu.

I wanted to congratulate you for the alumni magazine that I just received. I think it will be a very positive factor in helping to strengthen the alumni community.
David A. Krause, MBA ’02
North Kingstown, RI

Your enthusiastic letters and articles about globalization talk about access to advanced capabilities outside the United States, and of course also about the need for local presence to serve local markets. You are largely silent, however, on the international differentials in labor costs, whether for manufacturing workers, back-office people, or computer designers… . This allows lower product or service prices (good for buyers) and higher profits (good for sellers) but less for the people making the goods or performing the service.
R.V. Garvin, SM ’50
Sarasota, FL

I have received with much pleasure the MIT Sloan alumni magazine. I have noted also the many class notes submitted by alumni, and I will soon send my class notes as I feel this is a very important section and a way to keep up with dear classmates.
Luis Freire, SF ’78
Lima, Peru

Just wanted to let you know that I think the alumni magazine rocks. I especially love how you weave in special articles from the dean, various professors, and other alums.
Daniel W. Phung, MBA ’06
Aliso Viejo, CA

Please note that, where necessary, these letters were edited for length. For full letters, please visit: http://mitsloan.mit.edu/magazine.
Dear MIT Sloan Alumni and Friends:

At its core, MIT is about innovation and discovery, about “firsts.” It is thus a bit odd that as my term as dean winds down, I find myself experiencing a sequence of “lasts” which will culminate in June with my last commencement and last Reunion weekend as dean.

As I look back over my nine years in this office, I am pleased with what MIT Sloan has achieved. Your support—through generous gifts of resources, time, and expertise—has been essential. I am particularly grateful for the personal warmth you have shown me; it has kept me going and even smiling when I’ve hit the inevitable bumps in the road. The whole MIT Sloan community of students, faculty, staff, alumni, and friends has truly made my time as dean a pleasure as well as a privilege.

Despite experiencing a sequence of lasts, however, I spend much more time these days looking ahead than looking back. This is an exciting time at MIT Sloan, a time of progress and growth, of innovation and optimism. There are plenty of exciting new initiatives and opportunities to keep me more than busy until I pass the baton to the next dean. As impressive as our history is and as strong as the School is today, I truly believe MIT Sloan’s best years are yet to come. There are many reasons I believe this; let me mention two of them.

First, I smile every day as I see the site being prepared for our new facility—even though the MIT Sloan parking lot has become a staging area and I must walk several blocks to my car. We were thrilled to celebrate the official groundbreaking in May for a beautiful and functional 209,000-square-foot building that will transform the way that our students and faculty work. It will provide increased meeting space, an executive education suite, and lovely outdoor spaces. It will unify the faculty in areas that encourage collaboration. Recent graduates will be particularly pleased to see greatly enhanced dining facilities and many additional teamwork rooms. All in all, MIT Sloan will finally have competitive facilities and a real campus for the first time.

This exceptional facility, now officially Building E62, has been made possible by the extraordinary generosity of many alumni and friends. This May’s groundbreaking represented the culmination of 10 years of hard work by many dedicated individuals, and will mark the beginning of a new era for MIT Sloan. Our school has achieved so much despite inadequate facilities that it is hard even to imagine the great new accomplishments that our new campus will make possible.

A second reason I believe MIT Sloan’s best years are yet to come is the curriculum renewal initiative in which faculty, senior staff, and select students have been engaged in recent years. While many recent criticisms of business schools are off the mark, I believe that some have validity—even at MIT Sloan. To the extent that the market seeks innovation in management education, however, this is a great opportunity for the School. After all, we breathe the air of MIT, and have from the start been concerned with tomorrow’s best practice, not today’s business as usual. In addition, our school is small enough to be agile, and has intellectual resources that are second to none.

Innovation is a constant at MIT Sloan, of course: our faculty never teach the same course twice. We’re now engaged in experiments designed to provide the blocks for more fundamental, strategic change. One experiment is a very popular new option within the MBA program entitled “Entrepreneurship & Innovation” or “E&I,” which focuses on launching and developing emerging technology companies. E&I’s curriculum heavily emphasizes team practice linked to real-world entrepreneurial projects, balances theoretical and practitioner education, and provides a thorough exposure to the core elements of an entrepreneurial career. Another important set of experiments, entitled “Practicing Management,” is exploring multiple ways—including careful use of students’ team experiences—of enhancing graduates’ implementation and execution skills. In addition, we are launching an experimental Masters’ degree in Finance, as well as experiments designed to increase our graduates’ capability in the international arena and their understanding of sustainability in all its dimensions.

These are indeed exciting times at MIT Sloan. After a year’s sabbatical, I look forward to returning to participate as new leadership takes us into the even more exciting times that lie ahead.

With gratitude,

Richard Schmalensee
John C Head III Dean
profile:
Carlos Gorbea-Diaz,
MBA ’06

Managing with a mission
In the summer of 2004, Carlos Gorbea-Diaz, MBA ’06, was newly married to his wife Andrea, had finished his first year at MIT Sloan, and was halfway through his summer internship at Siemens management consulting in Germany when he received a call from his army reserve unit saying he was placed under alert. Three months later, and halfway through his fall semester, Carlos was on his way to Iraq, where he had been chosen to help train the new Iraqi army. The mission couldn’t have come at a more difficult time, but Carlos is proud of his experience and says it allowed him to put into practice, in very profound ways, much of the business knowledge and strategy he was learning at MIT Sloan.

Embedded in an Iraqi unit with a team of 10 U.S. senior officers, he became a full-time advisor to the new troops, helping to “train the trainers” of the Iraqi forces. “It was really like a startup army,” he says. “There were no rules and regulations like you have in a mature army like ours... no real standard operations.” So, from training, to automating rosters, to tracking pay, to keeping track of the supply side, Carlos and his team worked, “to build an army from scratch.” And he credits MIT Sloan for helping to shape his approach to such complicated management problems. “MIT Sloan gave me a different way of looking at things,” he says. “From a management perspective, I would look at how things fit operationally, how one event affects future events, and so on.”

Gorbea-Diaz explains that one of the most important challenges he faced was ensuring that the infrastructure was defined and stable enough to continue functioning after he and his team had returned home. “Essentially, it was us, the advisors, and the new Iraqi cadre who were responsible for steering the ship into a professional army that was there for the people of Iraq.” He describes meetings with Iraqi military leaders moving from very informal conversations over tea, to highly organized events with PowerPoint presentations, slides, maps, and detailed budget plans. By the time he returned to the States, he saw all of the headquarters elements doing exactly what they should: receiving information, processing that information, giving guidance down to the subordinate units, and then sending reports up the chain of command to the higher units.

After serving in Iraq, Gorbea-Diaz returned to MIT Sloan to finish his degree. And though his former classmates had all graduated, he describes being welcomed almost as a celebrity by his new classmates and the administration. “It was a great feeling... And when you are back after such an experience, you just want to max out on everything. I was looking at the courses and there was not enough time to take everything I wanted. I realized how lucky I was that I was coming back to MIT Sloan and I could pick up where I left off.”

Currently Gorbea-Diaz is in Germany in a PhD work/study position at BMW, where he is applying systems engineering architecture methodologies to the development of hybrid vehicles.

DILS continues to draw crowds

Speaking to a standing-room-only crowd of MIT Sloan students as part of the Dean’s Innovative Leader Series (DILS), GM Chairman and CEO Richard Wagoner advised his audience to, “do what you like to do... and where you think you can contribute.”

Other guests in this year’s DILS series included Carly Fiorina, SF ’89, former president and CEO, Hewlett-Packard; Dan Hesse, SF ’89, chairman & CEO, Embarq Corporation; Anne Mulcahy, chairman & CEO, Xerox Corporation; Peter Wuffli, group chief executive officer, UBS; Mike Lazaridis, president and Co-CEO of Research in Motion (RIM); and George David, chairman and CEO, United Technologies Corporation.
Those who can, do—and teach

M any of the world’s management luminaries continue to find MIT Sloan the place to teach. Following in the recent footsteps of Jack Welch, Michael Kaiser, SM ’77, president of the Kennedy Center for Performing Arts, is leading a master’s class entitled, “Strategic Planning for Nonprofits.” Through this intensive, learn-by-doing course, students are learning how to plan and think about the strategic issues facing nonprofits. A veteran at turning around struggling nonprofits throughout the world, Kaiser is teaching students how to create plans that will help such organizations succeed in a complex and competitive world. Welch, energized by his experience leading the “Conversations with Jack Welch” course, will return to MIT Sloan again in the fall for another stint at the head of the class.

A MEETING of the minds

Those who think a business school education has little relevance in the real world should become acquainted with the MEET (Middle Eastern Education through Technology) program. The Jerusalem-based program teaches technology and business to groups of Israeli and Palestinian high school students and, in the process, engenders understanding among the otherwise polarized residents of a troubled region.

Founded in 2003 by MIT student siblings Anat and Yaron Binur, with their friend Assaf Harlap, MEET consists of five-week summer sessions focused on developing the students’ business and technology skills. To supplement the summer sessions, students are charged with yearlong projects aimed at building on what they’ve learned and reinforcing the need to work together amid the daily realities of Jerusalem.

MEET, which graduated its first class of 18 students last summer, has received acclaim for its initial success—and broad MIT involvement. Class of 2006 MBA students Michael Fox, Dina Goldstein, and Yael Tolub helped bring the MIT Sloan perspective on team building and leadership by assisting in the...
creation of MEET’s business curriculum. Their efforts were guided by MIT Sloan Professor Deborah Ancona, faculty director of the MIT Leadership Center, and Assistant Professor of Organization Studies Katherine Kellogg. Fox and fellow student Shahid Rashid, MBA ’07, acted as instructors alongside other MIT students.

For Rashid, teaching with MEET was personally rewarding, and he sees tremendous value in the program helping to build understanding, which he considers essential to lasting peace. “There was definitely a breaking down of barriers between classes,” he says. “There were many friendships and cross-cultural connections. Especially on task assignments, the differences were invisible.”

Fox, now an investment banker in New York, remains involved in MEET. He’s focused on how it can move from startup to established venture, and he’s buoyed by the involvement of students, faculty, and alumni from across MIT. Says Fox, “Anyone who visits the program leaves and asks, ‘What can I do to help?’”

For more on MEET and the business curriculum developed by MIT Sloan students, go to http://mitsloan.mit.edu/newsroom/2006-meet.php.

Partnering with Portugal

In January 2007, the Portugal-MIT Program arrived on campus. Finalized in October 2006, the $81.9 million, five-year partnership between the Portuguese government and MIT seeks to expand research and education in management and engineering. The partnership will involve professors, researchers, and students from seven different Portuguese universities, and is the broadest project of its kind undertaken by the Portuguese government. MIT and its Portuguese counterparts see the project as an opportunity to collaborate on issues and discoveries that are not only important to the future of Portugal, but will also have an impact on other parts of Europe.

MIT Sloan’s goal for the project is to help advance management education and training in other nations while further exposing our faculty and students to global economic, business, and other trends and developments. The School is in the midst of a nine-month exploration into possible programs to pursue. “We can never have enough international activities going on at MIT Sloan,” said MIT Sloan Deputy Dean Paul Osterman. “The MIT-Portugal Program is very much a two-way street. We’re impressed with the quality of Portugal’s educational institutions. We have something to offer them, and we’ll certainly gain from working with them.”

The Portugal-MIT Program is the latest in a long line of internationally focused initiatives taking place at MIT and Sloan. For more on the School’s global impact, visit http://mitsloan.mit.edu/globalmitsloan/index.php.

**Theresa M. Stone, MBA ’76,** was named MIT’s next Executive Vice President and Treasurer. Since 1994, Stone’s MIT service has included membership on the Executive and Development Committees of the Corporation. She chairs the Visiting Committee for the Humanities and serves on the MIT Sloan Dean’s Advisory Council and the Visiting Committee for Music and Theater Arts.

Several MIT Sloan students competed in the UNC Marketing Challenge with great success. A team featuring Eric Hanover, MBA ’08, took first prize; Tom Armet, MBA ’08, and his team took second.

**Professors Jared Curhan, Shane Frederick, David Gamarnik, Dirk Jenter, and David McAdams** were promoted to associate professor status.

In February, the first-ever MIT Sloan Sports Business Conference brought leading sports industry executives from major U.S. professional leagues to explore the increasing role...
Dean Richard Schmalensee appeared in a variety of media outlets for a number of topics ranging from the news of his stepping down to his thoughts on the current state of management education. At the beginning of the year, he contributed a piece to the Financial Times, reflecting on the life and career of Alfred P. Sloan. In an opinion piece for CNET News.com, he described software platforms as one of the most important economic and technological developments of the early 21st century, using PlayStation 3 and Tickle Me Extreme Elmo—two popular holiday gifts this past year—as examples. The dean also appeared on CNBC with Standard & Poor's David Wyss to debate whether the economy is losing steam.

In BusinessWeek, the dean appeared as a guest columnist, responding to recent criticism of the MBA and business school curricula. On BusinessWeek's website, he is featured in a video talking about how business schools must respond to companies' demands for more leadership and communication training.

Appearing on ABC’s 20/20, Professor Duncan Simester, PhD ’93, spoke about the 2006 holiday shopping season. Also in time for the holidays was Professor and Dean Emeritus Glen Urban in BusinessWeek, offering advice on customer retention and loyalty. Urban stressed the need to advocate for customers “even if it means pointing them to another company.” Also in the retail vein, Professor Erik Brynjolfsson, PhD ’91, appeared in Information Week regarding Internet search engines. According to Brynjolfsson, search engines not only help consumers find products, but they also help make niche products profitable for merchants.

Stock options appeared at least as early as the 1920s, according to Assistant Professor of Finance Carola Frydman in a Wall Street Journal piece about executive pay. A related study by Frydman was featured in a similar story in the New York Times. In a different view of the executive suite, Assistant Professor Gustavo Manso’s research on how to reward failure appeared in the Boston Globe.

Former GE Chairman and CEO Jack Welch.

Campus snapshots continued...

of analytics in the sports industry. Sponsored by the MIT Sloan Entertainment, Media & Sports Club, the conference featured alums Daryl Morey, MBA ’00, assistant general manager of the Houston Rockets, and Jamie McCourt, SF ’94, vice chairman and president of the Los Angeles Dodgers.

A paper by Senior Lecturer Mark Kritzman entitled, “Are Optimizers Error Maximizers?”, received the Outstanding Paper Award from the Journal of Portfolio Management.
MIT Sloan faculty featured prominently in the Financial Times. Senior Lecturer Peter Senge, PhD ’78, discussed “internal network leaders” and their role in fostering informal networks, while Professor Andrew Lo explained the commercialization of his replication strategy. Lo said it raises the bar for hedge funds. Also in the Financial Times, Associate Professor Yasheng Huang discussed the state of China’s poor during that nation’s economic boom. Huang’s story also appeared in the China Daily.

Behavior research made the news in recent months. Professor Drazen Prelec appeared on CTV’s Canada AM to discuss his research on neuroeconomics, a discipline that combines neuroscience, economics, and psychology to study human behavior and choice making. A different sort of research done by Professor Dan Ariely was featured in the Wall Street Journal. Ariely’s project used data from a matchmaking service to prove that scarcity motivates suitors to be selective and serious.

Former General Electric Chairman and CEO Jack Welch’s new course at MIT Sloan garnered mentions both domestically (in papers such as the New York Times and the Seattle Times) and internationally (in Malaysia’s Business Times and South Africa’s Sunday Times, to name a few). An Associated Press story on Welch’s teaching stint also received widespread coverage over the span of several months. A New York Times article featured Welch’s to-do list, including an item that read, “Plan for MIT management class.” While the spotlight was on Welch, however, he remembered his students, referencing them in a Smart Business piece on successful leadership.

For more faculty news, please visit the MIT Sloan Newsroom at: http://mitsloan.mit.edu/mag/press.

Alumni news
Read all about it

IT Sloan alumni appeared in a variety of media outlets for a variety of reasons. Technology Review traced the career of Kaidra Mitchell, MBA ’02, from her original plan to go into corporate consulting to the global journey she eventually took—all the way to Tajikistan. For others, the coverage had less to do with their careers than with other things. Tolu Adeleye, MBA ’04, was one of five people profiled by USA Today regarding student loans.

Talking politics, Richard Baehr, SM ’75, wrote for The American Thinker about the role of Jewish voters on Election Day. Henry Mintzberg, SM ’65, PhD ’78, wrote about leadership models for InfoQ. A Wall Street Journal article titled “An NBA MBA” referred to Daryl Morey, MBA ’00, as “this year’s guy to watch.”

To read more about what’s happening in our alumni community, please check out our Class Notes on page 33.


Senior Lecturer and Managing Director of the MIT Entrepreneurship Center Ken Morse was chosen as the Chair in Entrepreneurship, Innovation, and Competitiveness at Delft Technical University. Ken’s duties at MIT Sloan remain the same.

Professor Erik Brynjolfsson, PhD ’91, won the Best Paper Award at the 2006 International Conference on Information Systems for “Information Worker Productivity: Task-level Evidence,” which he co-authored with Sinan Aral, PhD ’05, at NYU and Marshall van Alstyne, PhD ’98. Brynjolfsson also won the award for Best Paper in the Valuing IT Track at the 2006 International Conference on Information Systems for “Which Came First, IT or Productivity? The Virtuous Cycle of Investment and Use in Enterprise Systems,” which he wrote with Sinan Aral and D.J. Wu (Georgia Tech).

Paul Joskow will receive a Doctor Honoris Causa from the University of Paris Dauphine this January.
Local clubs, in conjunction with MIT Sloan and student groups, organized more than 50 events in the last year. Many of these events focused on connecting alumni to the School, and on building the alumni network, through content and conversation. Read on for a look back at some of these events, and then visit http://mitsloan.mit.edu/alumni/events for full event information and additional pictures. For individual updates on your classmates around the world, check out the Class Notes section on page 33.

On September 5, Boston-area alumni had the opportunity to reconnect with each other and to meet new and returning students at the Welcome Back C-Function. This event was hosted by the MBA Program Office, in partnership with MIT Sloan Alumni Relations.

The Association of MIT Alumnae, in collaboration with the MIT Sloan Alumni Club of Boston, held the third event of a three-part Alumnae Leadership Series, a panel discussion on Mentoring Across Differences of Gender and Race, held on campus on September 15. Panelists included Kathy Huber, CEO and president of Silver Beach Networks; Paul Levy, CEO of the Beth Israel Deaconess Medical Center; and Farzana Mohamed, Chief of Staff and Director of Strategic Planning for Beth Israel Deaconess Hospital—Needham. The discussion was highly successful, with over 100 alumni, students, and guests in attendance.

Atlanta alumni gathered on October 12 for the MIT Sloan Atlanta Reception at the Gordon Biersch Restaurant. The event, which was jointly hosted by the Atlanta Club and MIT Sloan, allowed alumni to network and hear about current happenings in the MIT community.

In October, MIT Sloan Alumni Relations invited Boston-area alumni to participate in MIT Sloan Innovation Period (SIP) Workshops. SIP began in 2003, when the School replaced its traditional 13-week semester with six weeks of coursework on either side of an intense week of experiential leadership learning and exposure to groundbreaking faculty research. Over 60 local alumni participated in SIP and enjoyed many workshop offerings focused on both leadership and research.

A group of MIT Sloan students and alumni participated in a trek to Iceland in October. They were fortunate enough to explore the area’s nature and monuments, enjoy various cultural events, and attend several receptions. During their visit, the group met with Thorarinn Sveinsson, SM ’95, the head of asset management of KB Banki, and Hannes Smarason, SM ’92, the CEO of FL Group.

On October 17, the MIT Sloan Alumni Club of Boston held their monthly Third Tuesday Networking Event at the Charlesmark Hotel. Over 50 alumni attended the event.
On November 1, the **MIT Sloan Club of New York** hosted its annual Hedge Fund Dinner. The event took place at the Tribeca Grand Hotel, and speakers included **Phil Cooper, SF ’84**, former head of Goldman Sachs Private Equity; Aaron Cowen, Karsch Capital, Long Short Fund; Jason Papastavrou, managing partner of Arris Capital, Fund of Funds; and Vadim Zlotnik, chief investment strategist of Sanford Bernstein.

In November, MIT Sloan Alumni Relations, in partnership with the **MIT Sloan Entertainment, Media & Sports Club**, the Retail Club, the **Operations Club**, and the **Marketing Club**, hosted the **MIT Sloan New York Alumni and Student Gathering**. The students were thrilled to learn about living and working in New York from the 35 alumni who attended the event.

MIT Sloan Alumni Relations, in partnership with the **MIT Sloan European Club**, held the MIT Sloan London Alumni and Student Gathering at Smolensky’s Bar in Canary Wharf, **London**, on November 22. The event coincided with the club visiting London companies as a part of a regional trek. Julie Papp, Associate Director of the MIT Sloan Career Development Office, represented the School.

The **MIT Sloan Alumni Club of Boston**, in association with the Massachusetts Society of CPAs, Treasury & Risk Management Magazine, and MIT Sloan, held the 4th annual **MIT CFO Summit** on November 17, 2006. Co-chaired by Jack McCullough, MBA ’97, and Jeremy Seidman, MBA ’03, the sold-out event brought together more than 500 senior financial decision makers. Some notable alumni attendees included **Michael Falvey**, SM ’88, CFO of Aspect Medical Systems; **Phil Cooper, SF ’84**, founding partner of Lincoln Vale; **Carl Yankowski**, SB ’71, principal of Westerham; and **Bill Aulet**, SM ’94, of the MIT Entrepreneurship Center. The next CFO Summit is scheduled for November 29, 2007. For more information, please refer to: http://www.mitcfo.com/.

The **MIT Sloan Club of New York** hosted a wine-tasting dinner event in mid-November. The six-course dinner included a very fine selection of wines.

The **MIT Sloan Alumni Club of Boston** hosted its annual holiday party on December 12th. John C Head III Dean Richard Schmalensee presented an overview of the new campus and a retrospective of the School’s accomplishments during his tenure. The event was a smashing success with over 100 in attendance. Special thanks to the annual sponsor: Nutter, McClennen & Fish, LLP.

Over 130 Bay-area alumni gathered with 85 current MIT Sloan students on January 3 for the annual **Silicon Valley Tech Trek** reception at the Menlo Circus Club. **Dave Weber, SM ’83**, director of Corporate Relations at MIT Sloan, enjoyed the opportunity to share updates from Sloan with his fellow alumni and classmates. MIT Entrepreneurship Center Managing Director **Ken Morse** also discussed the new Entrepreneurship & Innovation Program, which held its inaugural Silicon Valley Study Tour in conjunction with the annual tech trek. Special thanks to our sponsors for this event, Jerry Burnett and SanDisk.

In January, students and area alumni gathered at Minibar in **Los Angeles** as part of the **Los Angeles/Las Vegas Trek**. The event offered students the opportunity to meet local alumni and learn more about living and working in Los Angeles.

On January 5, **Hong Kong**-based alumni gathered with the 20 students participating in the **Asia Trek** for a reception at Grappa’s Cellar. **Henry Tan, MBA ’04**, worked with MIT Sloan Alumni Relations and with the students to coordinate the event. The students were thrilled to learn more about Hong Kong’s culture and companies, as well as about the experiences of the alumni who work and live there.

Over 40 alumni and current students attended the MIT Sloan Alumni and Student Gathering in **Seattle**. The event, hosted by MIT Sloan Alumni Relations and the **MIT Sloan MediaTech Club**, was part of the Seattle Trek. **Dave Weber, SM ’83**, director of Corporate Relations, shared news about the happenings of MIT Sloan with the Seattle-area alumni.

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*Pictured (l to r): Hagos Mebreteab, MBA ’06; Gerry Wilson, MBA ’04; Heather Tow-Yick, MBA ’07; Marshall Einhorn, LFM ’07; Jessica Gelman; Dean Schmalensee; Jamie McCourt, SF ’94; Daryl Morey, MBA ’00; and Andi Bisoffi, MBA ’07, at the Sports Business Conference.*
MIT Sloan Alumni Relations, in partnership with the MIT Sloan MediaTech Club, the Biomedical Business Club, and the Energy and Environmental Finance Club, was pleased to invite Boston alumni to the Massachusetts Tech Trek reception at the Charles Hotel. Hosted by General Catalyst, the event was a smashing success with over 200 people in attendance. Sean Brown, SM ’94, gave an update on MIT Sloan.

The MIT Leadership Center invited Boston- and New York-area alumni to take part in the three-day Distributed Leadership IAP Workshop in January. This very popular workshop was offered at three different times throughout the month and was attended by 20 alumni.

The inaugural MIT Sloan Sports Business Conference, hosted by the MIT Sloan Entertainment, Media & Sports Club, took place on February 10 at MIT Sloan. The goal of the conference was to discuss the increasing role of analytics in the sports industry. The keynote speakers were J.P. Ricciardi, the senior vice president of Baseball Operations and general manager for the Toronto Blue Jays, and Jamie McCourt, SF ’94, vice chairman of the Los Angeles Dodgers. Daryl Morey, MBA ’00, general manager of the Houston Rockets, co-chaired the event.

MIT Sloan Alumni Relations hosted the Annual Student Mentor reception on February 13. The reception, held in the Faculty Club, allowed for student mentees and their alumni mentors to celebrate the end of another successful semester for the Student Mentor program.

Spring trip and trek organizers partnered with MIT Sloan Alumni Relations to host a series of March events for students and alumni in China, India, and Korea. The gatherings coincided with student trips to these countries. LFM students also met with alumni on an LFM trip to Singapore, Malaysia, and Thailand in March.

On March 8, the MIT Sloan Alumni Club of Boston (SACB) and the Association of MIT Alumnae (AMITA) kicked off their next MIT Alumnae Leadership Series. This time the discussion was entitled “Staying the Course: The Technical Track vs. the Management Track: Are There Options?” The second and third parts of this series will take place in May and September.

On March 29–30, alumni and students attended the second annual “Better Golf Through Technology Conference,” co-hosted by the iClub and the MIT Center for Sports Innovation. The event took place at MIT and featured a panel discussion on technology’s effectiveness in the realm of golf learning. Participants, including golf teaching professionals, innovators, and researchers, presented joint research on various golf-related technologies and learning methods.

After another successful Sloan Innovation Period (SIP) in the fall, Boston-area alumni were once again invited to participate in the SIP workshops in mid-March. Over 60 alumni participated in 30 courses throughout the week.

On April 24, Morgan Stanley hosted an event in honor of John C Head III Dean Richard Schmalensee in midtown New York. All alumni in the tri-state area were invited, and the event was designed to extend a warm welcome to all alumni who are new to the New York area.

MIT Sloan staff and local clubs will soon be hosting events in your area. The locations listed below will be home to MIT Sloan events this summer and fall.

Austin
Beijing
Boston
Cambridge
Cape Cod
Chicago
Dallas
Detroit
London
Los Angeles

New York City
Paris
San Francisco
Seattle
Seoul
Shanghai
Silicon Valley
Singapore
Tokyo

Are you interested in adding an event in your city to this list? Send an e-mail to alumnievents@slan.mit.edu.
Your Point of Entry to Limitless Possibilities
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If it’s true that every generation reacts against its predecessor, MIT Sloan’s burgeoning social entrepreneurship scene is the natural order of things. By all accounts, the Me generation seems to have given way to the We generation, and MIT Sloan students are leading the movement.
Entrepreneurial solutions to poverty

Then there’s Locke and Johnson’s Entrepreneurship Without Borders, which, in many ways, is a classroom without walls. Like the participants in G-Lab, you might find these students in any corner of the globe. They examine the struggles that face entrepreneurs in emerging markets and also advise entrants in the World Bank’s Development Marketplace competition. The contest attracts 2,500 applicants in developing nations around the world who are working to launch poverty-fighting innovations. In the last contest, 60% of the teams coached by MIT Sloan students won prizes.

Once the business plan is successful, students in G-Lab pitch in, supporting a dozen or so of the most promising projects. Both the local entrepreneurs and the MIT Sloan students gain a vital understanding of the linkage between the business environment, the institutional framework, and new business creation.

“We’re not working where we can get rich. We’re working where we can make the most difference.”

Cultivating social entrepreneurs

One of the latest curricular innovations in socially responsible business is a dual-degree program offered by MIT Sloan and the John F. Kennedy School of Government. The three-year program is designed for students who plan to pursue careers in international management, politics, economic development, and social entrepreneurship.

Joint program student Oluseyi Boroffice, MBA, MPA ‘08, is typical of the emerging breed of pragmatic idealists who are putting their heads where their hearts are. Deeply troubled by poverty in his native Nigeria, Boroffice left his country in search of a solution. “I didn’t know how the problem was going to be solved,” he says. “All I knew was that I wanted to be part of the solution.”

Boroffice understood that to make any mark on this situation, he would need strong leadership, political savvy, and entrepreneurial know-how. The joint MIT/Harvard program, he says, could not have been more suited to his needs. He credits the MIT Sloan culture with being essential to the value of this experience. “At MIT Sloan, they teach you how to make things happen. It’s that kind of a place. Everything you learn you can immediately take out and apply in the real world. There’s an incredible entrepreneurial spirit that is not matched anywhere else, and that’s exactly what most developing countries need.”

Boroffice says there’s so much to do at MIT Sloan, a student could spend 10 years without scratching the surface. He has carefully focused his time on activities that will further his ability to make a difference when he returns to Nigeria. One of these activities is SEID (Sloan Entrepreneurs for International Development), a student club dedicated to sustainable global development. Boroffice is its co-president.

This semester alone, SEID is involved in water purification projects in Mexico,
Ghana, and Peru; an alternative energy project in Haiti; an agricultural equipment manufacturing project in Zambia; and a gorilla fund project in Rwanda.

The club could take on even more with funding, Boroffice notes. At present, many members sponsor their own journeys to project sites. Other trips are funded through G-Lab, which is deluged with projects and delegates some of the overflow to SEID.

“I think SEID attracts students who really want to change the world,” Boroffice says. “That’s the only reason we are doing this. We’re not working where we can get rich. We’re working where we can make the most difference.”

Boroffice is also heavily involved in the MIT $100K’s affiliated Global Startup Workshop (GSW). Modeled on MIT’s own dynamic entrepreneurship ecosystem, the GSW is the world’s premier conference on fostering entrepreneurship through the development of an international infrastructure. The 2006 MIT $100K GSW in Argentina attracted 250+ participants from more than 40 countries.

Rewarding better ideas for society The MIT $100K GSW is a sister of the MIT $100K business plan competition, which has also taken bold strides in promoting social entrepreneurship. The 2006 contest marked the evolution of the iconic MIT $50K into the MIT $100K. The additional funds are directed toward the award of an MIT Social Impact Prize, which recognizes the business plan that best serves low-income communities.

“The need for the new development prize became increasingly apparent when we looked at the research on campus that targets the developing world,” reports Karina Drees, MBA ’07, MIT $100K lead organizer. “The MIT $100K aims to help bring MIT technologies to the world—all parts of the world.” Indeed, of 164 entries, competition organizers say that almost one third were from social-impact teams. The winner of the first Social Impact prize, CentroMigrante Inc., combines developmental architecture with a self-help business model that offers clean, safe, sustainable, and affordable urban housing for impoverished job seekers in developing countries. “It’s a great moment,” observes Ilac Díaz, CEO of CentroMigrante, “because the $100K now offers an equal stand for businesses that are not all about profit.”

The $100K’s change in focus is indicative of the MIT Sloan community’s pragmatic approach toward socially responsible business. The new MIT Sloan Nonprofit Internship Fund gives future nonprofit leaders the ability to explore social impact opportunities without undue financial distress. At the same time, the students bring business expertise to cash-poor nonprofits that need, but often can’t afford, solid business guidance.

Many MIT Sloan students took part in Impact 2007, an MIT-wide socially and environmentally conscious career expo organized in collaboration with Olin College. The winter 2007 conference was created as a pipeline between students interested in social impact and the companies that are founded on that principle.

Entrepreneurs for the environment While many MIT Sloan students are focused on alleviating poverty and creating economic opportunities in developing nations, others are concentrating on environmental crises and alternative energy sources.

MIT Sloan’s Energy and Environment Club (E&E) is one of the busiest social impact organizations on campus. The club sponsors the annual Energy Trek, which introduces MBA students to energy company executives for straight talk about technological and management innovations.

The Energy and Environment Club is also a sponsor (with central MIT’s Energy Club) of the spring 2007 MIT Energy Conference. This ambitious event brings together leaders of energy technology, policy, industry, and finance to discuss productive solutions to the world’s ever-worsening energy crisis.

Managing director of the conference is E&E Club co-president Brian Walsh, MBA ’07, who has already built an impressive career in the emerging fuel cell and hydrogen industries; before MIT Sloan, he was director of the U.S. Fuel Cell Council, the premier industry association. Strategically, he also serves as co-president of the MIT Venture Capital/Private Equity Club.

The new social impact MBAs The School’s increasing emphasis on social responsibility is attracting a new strain of MBAs. Social activist Kara Penn, MBA ’07, who entered MIT Sloan with prodigious experience working for environmental and healthcare causes, says that B-school was the last place she ever thought she’d end up.
Jeremy Hockenstein, SM ’00, is one such alumnus. The enterprising founder and CEO of Digital Data Divide (DDD) is considered by many to be both a hero and a smart entrepreneur. A hero, in fact, because he is a smart entrepreneur.

DDD is actually a revolutionary employment agency, matching work assignments for first-world companies with workers from untapped, third-world talent pools. The company provides fair salaries, education, training, and healthcare to its employees and excellent work quality to its customers. The model is working. In fact, New York Times columnist Thomas Friedman refers to Hockenstein in The World is Flat as one of his “favorite entrepreneurs.”

Hockenstein has already been back to campus to inspire a new crop of social entrepreneurs. He believes that MIT Sloan’s climate of social entrepreneurship well equipped him for the challenges he faces with DDD, but he feels that the School’s emphasis on strategic leadership was equally influential. “What I learned at MIT Sloan—and what I had sought to learn—is how a group of people can get something done together,” Hockenstein says. “I learned how to get a team of people to accomplish something that matters to them. And through extraordinary leadership courses with Deborah Ancona and Peter Senge, I learned that you need to clarify what you really care about most and focus on accomplishing that.”

“I came from the perspective that social problems must be addressed by governments and nonprofits,” Penn says. “At MIT Sloan, I’m realizing that sometimes a for-profit or hybrid model is the most powerful.”

Penn, who is co-president of MIT Sloan’s Net Impact chapter, spent last summer in Southeast Asia as an intern for the California-based World of Good Development Organization, where she led the product testing team. She is also a core member of the Student Working Group for Global Sustainability at MIT (SiGS), a student organization committed to sustainable development and conservation projects on both the global and local levels.

SiGS is a chapter of the World Student Community for Sustainable Development (WSC-SD), an international partnership of six student communities seeking to promote sustainable development as well as day-to-day collaborations among tomorrow’s scientists, engineers, and policy-makers. SiGS members are working closely now with MIT Sloan faculty and staff to build a major Schoolwide center focused on sustainability issues.

Motivation, empowerment, & opportunity
Where is all this social responsibility headed? Just about everywhere. The extraordinary climate of opportunity and knowledge on the MIT Sloan campus is energizing students as they see the real impact they can have on the world. They’re also gaining confidence in myriad environments, from a struggling village in tsunami-ravaged Indonesia to a bureaucratic obstacle course in Washington, D.C. That empowerment translates into motivation and into a mushrooming number of alumni who are succeeding as entrepreneurs of socially responsible businesses.
Lotte Bailyn
Professor of Management,
Organization Studies,
Behavior and Policy
Sciences (BPS)

Breaking the mold
Family as a complicating issue

Lotte Bailyn’s research centers on technical and managerial professionals and the organizational rules that define the contours of their lives. Her recent work calls attention to the need for change in these rules, in order to take into account the changing nature of the professional workforce—including the influx of women and the consequent lifestyle changes for both sexes. The following piece is largely excerpted from the second edition of Bailyn’s book, Breaking the Mold: Redesigning Work for Productive and Satisfying Lives (Cornell University Press, 2006, used with permission).
What is the price that organizations, employees, and society pay for getting stuck in the 1960s? In 1960, fewer than one in five married mothers with children under six was in the workforce; at the beginning of the 21st century, more than three in five are. Yet, organizational rules and practices have not changed to reflect this difference. Many companies today can’t seem to get away from the expectation of primary and continuous involvement with work from all employees. It is obvious that this will have a negative impact on families over time; less obvious is that it also adversely affects the fate of companies and society.

The notion that professional success can only be reached by putting in long hours and plenty of “face time,” without a need for flexibility, is prevalent. Companies actually suffer from such traditional expectations—through employee stress and attrition or the loss to top management of the services of significant parts of the workforce. Also, families, and society at large, suffer from insufficient care for children, elders, and communities. Consider the need for parental involvement in schools and the need of community institutions for support.

Company solutions
Since it is difficult for families by themselves to find a satisfactory solution, the issue, at least in this country, seems to involve the employing organizations, which try to respond with family policies and benefits. The Xerox Corporation, for instance, has what it calls “life cycle assistance,” which provides $10,000 worth of benefits to be used at any point in an employee’s career. IBM offers a personal leave program of three years, during which time employees receive company-paid benefits and are assured of a job on returning.

Such responses are helpful, but they are still based on the assumption that family concerns can be treated peripherally, outside of the primary goals of the organization. They do not provide employees with better control over their varied responsibilities; nor do they provide them with more nonwork time. Even leave policies can have negative consequences, so long as organizations continue to reward employees on the basis of the amount of visible time spent at work.

None of this is easy. The cultural assumption of keeping work and private life separate is deeply embedded in our thinking.

The U.S. response
The U.S. approach is based on three cultural assumptions. The first is that families and children are in the private domain. The choice to have children is entirely personal, and therefore their custody is exclusively the concern of each individual family. Second, the care of children and elders is rightfully the province of women. And finally, in an individualistic, achieving society, nurturance and care are undervalued. Career and employment are key to identity and success.

Given this set of assumptions, as well as the fact that a majority of American women (even those with very young children) are now in the workforce, the United
States is facing what some have called a “crisis of care.” Women are welcome and indeed desired in influential positions so long as they follow the rules established for men with traditional family support. Under these conditions, family and community suffer.

It is not surprising, therefore, that when compared to Canada, the United Kingdom, and most West European and Scandinavian countries, the United States has the highest poverty rate among families and children, the highest mortality rate among young children, the lowest eighth-grade achievement scores in science and math, the most TV watching among 11-year-olds, the highest rate of teenage pregnancies and abortions, and, among parents of children at home, the highest percentage wishing they had more time with family.

The U.S. situation is summarized in Figure 1, which shows that in the United States only one boundary—between male and female work roles—is becoming permeable.

The Dutch response
In the Netherlands, a different pattern has emerged to deal with work-family issues. While women’s participation in the workforce has been steadily increasing, we still see a rather traditional distribution of work between men and women. Families manage on one-and-a-half incomes, with women typically working half-time.

What is important here is the support by both government and unions of fully valued part-time jobs with equivalent pay and benefits. The government actively encourages employers to help their employees with child care—which is different from most other European countries. Most government supports in the Netherlands (e.g., subsidies for all children, equality of social security, some financial advantages for “traditional families”) safeguard the choice of women not to work full-time.

This is a modified breadwinner model, and yet the Dutch government, at least in stated policy if not in practice, is concerned about women’s rights to work equality. The government takes an active role in the dialogue around these issues and is trying to instill an ideology of shared work and shared care. How this will turn out is still unknown. As Figure 2 shows, only one boundary has become permeable in the Netherlands—the boundary for women between paid work and home.

The Swedish response
As opposed to the United States, where the effort has been to allow women to meet male work demands, and to the Netherlands, where the emphasis has been on providing good part-time jobs for mothers, the Swedish effort has been focused on equalizing gender roles. On an ideological level, there is a social consensus in Sweden that women should have jobs, and that fathers should be involved in

Figure 1:

The United States

Figure 2:

The Netherlands
...there is a social consensus in Sweden that women should have jobs, and that fathers should be involved in childcare.

childcare. And there is legislation to support both these aims. For example, there are tax incentives for families where both parents work.

Further, the care of families is seen as within the responsibilities of the state. Children, in particular, are considered a public good, and their proper care is viewed as essential for the continuing success of the society. This has meant not only an elaborate state-supported childcare system, but also support for parents to stay home with infants. Parental leave, which is available to both parents (though not at the same time), is reimbursed at 80 percent salary for 12 months. Also, parents of young children have the right to work only six hours a day, and there is ample leave for time off when a child is sick.

Thus, the Swedish government has mandated a comprehensive set of family policies and has tried hard to change social attitudes. Swedish men find it more ideologically appropriate to spend time at home, and Swedish women have an easier time combining the conflicting demands of work and family.

Still, the Swedish response has its share of problems. Women are seldom found in top business roles, their pay is still less than men’s in equivalent positions, and occupational segregation by sex is higher than in the United States and other countries in Europe. Figure 3 depicts how Sweden is working at three boundaries, and how, despite much social change, the boundary between men and women in the public sphere is still firm.

A foundation for looking ahead
So what is the answer? These national differences indicate the complexity of adapting deeply ingrained assumptions, expectations, and procedures to changing circumstances. Even a change in underlying values and introducing supportive national policy, as the Swedish example shows, is important but not sufficient.

A change in the organization of work—a redesign based on current realities and national priorities—is also necessary.

For too long, it has been assumed that long hours necessarily equate with productivity, and people have been judged by the number of hours they are visibly at work. And with new technologies, we run the risk of changing to a 24/7 workplace, just when we should be using these technical advances to help us to better control our lives.

Given current circumstances, we have to work at all fronts. Each of the boundaries—between male and female roles and between economic and domestic responsibilities—will have to be made more permeable. Otherwise, we will not be able to serve the needs of organizations, their employees, or, in the long run, society as a whole.

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Figure 3:

**Sweden**

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<thead>
<tr>
<th>Home (domestic sphere)</th>
<th>Paid work (public sphere)</th>
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Dean Schmalensee, in his own words, on leading—and leaving—MIT Sloan
Nine years ago—back in the last century—this ever-changing world was a very different place. Dot-coms were all the rage; 9/11 was just a date in September; iPods weren’t even on the drawing board; you could still find a pay phone on a street corner; and MIT Sloan needed a new dean. Nine years later, we’ve begun a new millennium, one where the dot-com dominance has faded into the ether; the bubble of our national security has burst as 9/11 now signifies so much more than a number; BlackBerrys dominate our communications; TiVo is the most important name in television; and MIT Sloan once again needs a new dean.

But what about the nine years in between? What about the world of MIT Sloan? And how did we get from then to now? Over the course of those nine years, Richard Schmalensee, John C Head III Dean, was at the helm, literally guiding the School into the 21st century. There were major curriculum innovations; groundbreaking new programs and partnerships; major milestones to celebrate; and a little project that had something to do with a new building.

On the eve of stepping down after serving the second-longest deanship in the School’s history, Dean Schmalensee muses over his tenure: the challenges, the highlights, the people, and the state of the school he has shepherded for so long.
PUSHING A ROCK UP A HILL
Building E62
Fundraising, planning, and designing a new MIT Sloan building was a major priority throughout Dean Schmalensee’s term. The existence of that building is seen as critical to the continued growth and success of the School. The official groundbreaking for the new structure—currently known in typical MIT fashion as E62—was held on May 15, 2007, with Dean Schmalensee wielding the ceremonial shovel.

We’d known we needed a building for a long time, but we only could begin serious planning after Bill Porter, SF ’67, gave us a $25 million pledge in the summer of 1999. Before we could really move forward in any serious fashion, we had to pick an architect. And then we had to agree with central MIT on the program, on what the building would do. Then we had to pick a site and agree on a rough design—and all the while we had to raise money. Of course, the bubble burst in 2001 and raising money became more difficult. Then we made a major design change in the middle of the process with a change in the site. So I don’t want to say it was really hard, but it was really hard! But people like Cindy Hill, Paul Asquith, Margaret Keller Dimock, and Cindy Albert Link and others in resource development across campus—and lots of other folks—kept pushing this rock up the hill for years and years.

It was clear to me when I became dean that this was the thing the School needed most, to get some space, some elbow room so we could function. That’s why I spent all that time on it, because it just really was and is the most important project, I believe. It enablers so much else that’s visible and exciting, but you’ve got to have that space.

As for checking in on the progress of that space after I step down? I think as a matter of mental health, when I leave this office, I have to leave this office. I’ll try not to monitor this or anything else when I’m gone. That’s just not healthy. It’ll take me a while to avoid the temptation to do that, of course, but I will try.
**EXECUTIVE DECISION**

The merger of the Sloan Fellows and Management of Technology programs

After years of storied individual histories and having graduated some of the School’s most prominent and passionate alumni, the Sloan Fellows and Management of Technology programs were integrated in 2003. The resultant MIT Sloan Fellows Program in Innovation and Global Leadership showcases the best of its parent programs—and continues their successes—while offering a flexible, two-year part-time option for the first time.

The Sloan Fellows and MOT programs have very passionate, dedicated alumni, so we worried very hard about their reaction to this merger and spent a lot of effort communicating to them.

I think their bonds are particularly strong because those programs are relatively small. In some cases, spouses are also here, so it’s not just the student who gets to know peers, but also the spouses who get to know peers. So you have these sort of couples’ friendships as well that last a long time. I also think people who have worked for 10 years or so really appreciate being in school full-time and having a chance to reflect and be away from the demands of a job. If you read Carly Fiorina’s (SF ’89) book, at the tail end of her chapter about being a Sloan Fellow, she talks about reflecting back at the end of that year on what an amazing experience it was, and wanting to make sure she and her classmates got as much out of it as they could have. I think for MBAs, it’s school; for the MOTs and Fellows, it’s a real break.

We worked hard to design a distinctive new program that captured the best features of both the Sloan Fellows and the MOT programs, and I believe we succeeded. I also believe we persuaded most alumni that we were thus enhancing the program from which they graduated, not abolishing it. And I know the market understands: The response to the new program, with its focus on both innovation and leadership in the global economy, has been very gratifying. We are attracting great students and giving them an extraordinary experience, inside and outside the classroom.

**THINK: NOT GENERIC**

Curriculum development, Part 1

Curriculum innovations such as the Sloan Innovation Period (SIP), the Entrepreneurship and Innovation program, the undergraduate minor, the MIT Leadership Center, and the Global Entrepreneurship Lab abounded over the past nine years. While addressing the changing landscape of global management in a variety of ways, each new class, program, and lab had this in common: They were all developed the MIT way, using creativity, logic, and vision; and all met a standard of real-world relevance that is a hallmark of the Institute.

When we initiate things, I think we—and by “we” I mean at least the faculty, and I think a large fraction of the staff as well—we always think about not being generic. The way in which we are not generic is that we’re part of MIT, both the intellectual environment and the culture. And we would like to leverage that.

When we went into the Sloan Innovation Period, there was a lot of thinking on the part of the faculty, which came up with

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**Nine years at MIT Sloan**

During the past nine years, the School has accomplished many goals in keeping with its core values of innovation and collaboration. Here’s a glance at some of MIT Sloan’s most significant achievements.

- **Major steps toward the landmark, 209,000-square-foot management building (including planning, design, and fund-raising)** were accomplished. The groundbreaking took place on May 15, 2007, and completion is set for 2010.
- **$220 million was raised to support the new building and other projects.**
- **The MBA program was redesigned to include the creation of the Sloan Innovation Period (SIP) and wide-ranging**
the concept about how SIP would really leverage our strengths, by bringing students closer to cutting-edge research. But we wanted to be innovative in the way we taught, which is a very MIT thing to do. We think about it a lot because, in a sense, that’s our central strategic issue: How do we leverage being part of this great university without having the world think that what we do is engineering, or engineering-lite?

A cross-institutional collaboration like the undergraduate minor is an example of how we work across campus—and illuminates the value of the bridges we’ve built. I have thought a lot about the importance of those bridges, building them, maintaining them, and painting them, and doing all the things one does to foster successful relationships.

With the undergraduate minor, I’m also pleased at the way our faculty came together—with some serious intellectual agreement, of course—to build that curriculum and are continuing to work to improve it and have it be a program that has a major impact on the Institute.

Déjà Vu All Over Again
Curriculum development, Part 2
In addition to major curriculum redesigns, classes and how they are taught can change gradually and subtly over time. As an MIT undergrad, Dean Schmalensee took some of the same classes students are taking today, but he acknowledges that coming back as a student now would offer him very different things. Those who took a particular class several years ago might be surprised at what they find in that very same class today.

There’s sort of this invisible curriculum revolution that goes on as people upgrade and change classes every year. I took finance here as a student; it bears no relation to what’s being taught here now. I’d really be interested in just sitting through some of the courses that have familiar labels, but quite extraordinary new content.

It’s always fascinating when we have visitors for a day, and they say, “What a great place! I went to this seminar, I saw this, I did that.” And my response is, “Yeah, well I did meetings and e-mails…” If I were to come back as a student now, I think trying SIP would be fun. I’d also love to be on one of those project teams, to go to Bangladesh and work on water supply, for instance. I think that would be an extraordinary experience. And the $100K, which I didn’t originate, but I applaud with great regularity, is just an amazing thing. Yeah, there’s a lot of stuff I’d like to do as a student. Of course, I’d like to be young again, too!

experimentation (including, in Fall 2006, the Entrepreneurship & Innovation Certificate Program and a Leadership course taught by former GE CEO Jack Welch), paving the way for fundamental changes in the MBA curriculum.

The undergraduate minor in management was created and reached the status of the largest minor at MIT.

The MIT Sloan Executive Education program expanded and tripled its revenue.

With the MIT Division of Health Sciences and Technology, a dual-degree Biomedical Enterprise Program was established.

The undergraduate major ranked #2 and the MIT Sloan MBA program ranked consistently among the Top Ten in MBA surveys.

The Sloan Fellows and Management of Technology programs were combined to form the MIT Sloan Fellows Program in Innovation and Global Leadership, offering a two-year part-time option for the first time.
One-on-one

Q: As dean, how involved must you be in everything? At what points are you hands on or hands off?

A: I try to be pretty hands off, because I think if you micro-manage people, you won’t get their creativity. I like to aim people and let them go. But every so often, I find myself intervening in a very detailed way. There are some things that get sticky, and some things that are particularly important, which I can’t delegate. I try to be about setting a process in motion. In the merger of the Sloan Fellows and MOT programs, for instance, I didn’t sit down and decide what we should do. I posed a question to a set of people who would approach it thoughtfully.

Q: In your time as dean, or in your general career, have you had any particular role models or advisors who have been important to you?

A: As an economist, sure, lots of people. I’ve learned from all my teachers one thing or another. And I think in this role, I’ve learned from watching my predecessors, from organizations I’ve been in. My time in Washington was very interesting, just to observe different management styles.

I don’t think there’s anybody in particular because, frankly, people have strengths and weaknesses. My father was an important role model, both my grandfathers were important. None of them were perfect, but I learned. I didn’t ever set out to imitate anybody because I figured, particularly in this role, that people figure out pretty quickly if you’re acting.

Q: It seems like being dean is such an incredible juggling act. How do you keep all those balls in the air at the same time?

A: Part of the reason I’ve enjoyed this job is I like variety. But a challenge of the job is that there are so many hats. I try to focus; you do have to set priorities. You’ve got to say no. I could go to a student event every day of the year, but I don’t. I’m pretty good at juggling in this sense, so it doesn’t wear too heavily, but it does require conscious thought to make sure I can get it all done.

Q: Is there anything that will be very hard for you to leave or that you will miss a great deal?

A: I will actually miss being involved in the building project. That’s been an extraordinary experience. I will miss spending time with alumni, because I got to know a lot of alumni over the years. And some of those are close relationships, and I’ll see them, I expect, not as often and not as officially, and so on.

I’ll miss the sense that I can put my hands on the institution and make it better. That’s sort of a good feeling, the ability to say, “I can fix that.” And that’s a nice way of saying power. You know, it’s not power in a dictatorial sense. It’s power in the sense of influence. I’ll miss having influence over a place I care about.

Q: What will you focus on in your future research and teaching?

A: I would like to get back to the environmental arena, working on issues in climate change, which I had done before I moved into the dean’s office. In recent years, I’ve also become interested in a set of businesses that are called two-sided, or platform businesses. I just published a book with two colleagues on software platforms and have another coming out soon. I’m interested in doing more there.

Q: When you think of your legacy, what do you want it to be? Could you sum it up in one word?

A: The first word that comes to mind is “builder,” but not just because of the building. I actually tried very hard to build the institution, the organization, and the programs. Look at how many faculty and staff we hired since I became dean who are still here and playing important roles. I would basically like to be remembered as somebody who left the place stronger than I found it, as anybody in my position would. But I’ve always thought of myself as trying to build capability here.
Out of the office

Ever wondered what Dean Schmalensee does with his downtime? Here are his thoughts on a variety of topics.

**Comic relief**
I enjoy wit, but I also enjoy slapstick. Chevy Chase falling down is a favorite.

**Tennis anyone?**
I play tennis, but not terribly well. I ski, cross-country and downhill, when there’s snow.

**iPod mania?**
I don’t have an iPod! I listen to music, but what I haven’t quite gotten into is the notion of listening to music when I walk around.

**Workout motivation**
I’m a believer in turning the television to something interesting when I work out—and something interesting that I don’t have to watch all the time. Football is good for that. Sports Center is great because they talk, and I can kind of listen and look over.

**Tuning in**
I TiVo Battlestar Galactica. I am hooked on that. And then for complete and utter trash—I blame my wife for this—we do record Desperate Housewives.

**If I weren’t an academic...**
I think a steady gig playing James Bond would be nice. No! I like to do research, I like to think, I like to write. My ideal job has variety in it.
And I was scared out of my wits. The first President Bush was a very amiable fellow who put you at ease, but still, he’s the President! I was being very quiet, then the conversation turned to a point where the President turned to me and said, “What does CEA think?” And I remember thinking, “Now is the time to punch it. Now is not the time to be nervous. Now is the time to take a deep breath and hit the point.” And so I took a deep breath and I hit the point, and the point carried, and it worked. The issue at hand was whether we stabilized the Polish currency right after the Solidarity Revolution in Poland, and we did, and it didn’t cost us a dime, and we saved Poland’s economy.

Ever since then, I’ve always had this sense that dealing with the media or other performance-related occasions is a little like going off the diving board. I can remember as a kid being on the high dive and being scared, and you stand there, and you stand there, and you stand there. And eventually, you just go. And the standing there doesn’t make it any easier. So I try very hard with the media to take a deep breath and go. It’s not a matter of being comfortable; it’s a matter of saying, “What, am I going to just stand here?” You just go.

I was scared to death about the 50th anniversary Convocation. We had some organizational issues that popped up the summer before the 50th; all of a sudden it’s July, and we’re not buttoned down. A number of alumni had been saying to me, “Gee, the School’s never done anything like this before.” Well, we hadn’t ever done anything like that before! We had a design, we had a program, and we had speakers. Then all of a sudden Kofi Annan, SF ’72, can’t come when he was going to come. That one really worried me. The whole Convocation ended up going off like clockwork. My wife saw me the evening of the first day of the event and she said, “You look ten years younger than you did this morning!”

Being dean is a very important symbolic role. So it matters if I show up at a student event, even if I don’t get to talk to any students. As dean, when I talk to students, it’s generally a social interaction, a cocktail party interaction. It’s, “What are you going to do? How was your internship? How was your summer? What do you think about this or that?” And we do talk about the School, but it’s not like being a faculty member talking about a subject. We talk about alumni relations, but not about pricing strategy. It’s a different set of conversations.

I meet parents, wives, husbands, girlfriends, and boyfriends in a way that I wouldn’t as a faculty member. It’s been quite nice, since our students are generally very interesting people. The other difference is that I also see a lot of alumni, and they too are terrific. Some folks who were students when I took this job are now ancient alumni! So I’ve been able to follow people along from when they enter the School to their lives after graduation. I don’t get to know everybody, but a few people in each class I come to know pretty well. I get to know a number of people a little bit, and get to follow them along and see them from time to time. That sort of continuity and the sense of their growth and maturity are different from the experience as a faculty member.

A DIFFERENT SET OF CONVERSATIONS

Teaching vs. deaning

While the duties of the deanship are different from those of a faculty member, it’s the differences in the level and type of personal interactions that stand out the most.

I was struck by something that President Susan Hockfield said about MIT as a whole, and I think it is apropos of MIT Sloan. After she’d been here about a year, she said that this is the most value-driven institution she’s ever been a part of—

A HIGH-MINDED PLACE

The essence of MIT Sloan

After establishing the Marketing Council in 2003, MIT Sloan underwent a Schoolwide branding study that sought to pinpoint who we are, what we do best, and what makes us stand out amongst our competition—and perhaps, more importantly, how to communicate those qualities to the world. But what does someone who’s spent so much time on the “inside” have to add?

I was struck by something that President Susan Hockfield said about MIT as a whole, and I think it is apropos of MIT Sloan. After she’d been here about a year, she said that this is the most value-driven institution she’s ever been a part of—

including several churches. Here, people care about excellence. People care about the truth. People care about making a positive difference. And the whole place strikes me as being high minded in that sense. There is a strong sense at MIT Sloan of wanting to do the right thing, of wanting to make the place better, of wanting to make the world better.

I’ve been impressed by how many alumni over the years have told me that they really acquired a strong sense of ethics and principles at MIT Sloan. And these are alumni from years when we didn’t have ethics courses. I think it’s just in the air here in a way. I value quite highly that while we are a business school, and our graduates go on to businesses, this is a place that is concerned with excellence and truth and with making a positive difference. ● ● ●
MIT Sloan Classes of ’56, ’61, ’66, ’71, ’76, ’81, ’86, ’91, ’96, ’01, and ’05 returned to campus last June to renew friendships, hear from faculty, and reconnect with MIT Sloan. Most kicked off the weekend with the Friday night C-Function.

The spirit of camaraderie and celebration was alive and well during the Back to the Classroom sessions given by world-renowned faculty members and during the Dean’s Luncheon, when John C Head III Dean Richard Schmalensee shared his State of the School address.

On Saturday night, each class enjoyed a class dinner, where they continued to reconnect among smiles, laughter, and (in some cases) slide shows featuring fun pictures from the past.

The weekend wrapped up with Sunday’s Family Barbecue. After eating and taking part in a range of family activities, alumni and their children said their farewells.

To view more photos of Reunion 2006, or for information on your next Reunion, please visit http://mitsloan.mit.edu/alumni/reunion.
This June 7–10, hundreds of MIT Sloan alumni will return to campus for Reunion 2007. As we welcome members of the alumni community back to campus for this upcoming Reunion, it's a great time to look back at the highlights of Reunion 2006.

Class of ’96 dinner. Pictured (l to r): Brad Guth, MBA; Annie Leuthold, MBA; Tracy Guth; and Eugene Lee, MBA.

Class of ’66 dinner. Pictured (l to r): Eugene Soltero, SM; Jon Gruber, SM; Larry Erdmann, SM; and Eugene Briskman, SM.

Class of ’66 dinner. Pictured (l to r): Brad Guth, MBA; Annie Leuthold, MBA; Tracy Guth; and Eugene Lee, MBA.

Pictured (l to r): Sunshik Min, SM ’85, and Chi-Won Yoon, SM ’86, chat with John C Head III Dean Richard Schmalensee.

Michael O’Leary, PhD ’02, and son, Liam, enjoy the Family BBQ on Sunday.
Catching up with Cindy Hill
Director of Capital Projects

This spring’s official groundbreaking for the new MIT Sloan building was particularly meaningful for Cindy Hill. As the one person who’s been with the E62 project from the very beginning, she can look at the hole in the ground with pride. In her 21 years here, Cindy’s most meaningful building isn’t reflected in structures, but rather in relationships—with students, alumni, faculty, and the greater MIT Sloan community.

When I was still with the Master’s program, I was assigned to the Tang Center project. It was a fascinating experience. Several years later, the School decided to build a whole new building. They realized that, as large as we were going to make this, it was going to require a full-time person. And that’s how I found myself in Capital Projects.

The story of E62
A major goal of the new building project is to create a heart for the School. Paramount in our planning process is thinking about how our community functions—and how we can make it easier for that to happen. We wanted more common meeting places, a smoother process to find a study room, as well as more pathways that take you right where you need to be and connect you with other people much more quickly.

The faculty floors are a great example. I’ve been to so many different schools with beautiful areas that would never work for our community—places where faculty members are tucked away in narrow hallways or in rabbit holes. We have a faculty committee thinking about how they want to be organized. Our faculty said, “We like to see each other, so that we have a sense of closeness and intimacy.” Since this is an open-door community, we need to create clusters. A heavy door can make people feel that they must have serious business in order to walk through that door into an area. So we designed the faculty areas with gentle boundaries between them and lots of places for interaction.

We also consider how the students operate. What would help them in their everyday lives? What little touches, which one might not pay attention to, would actually make a big impact? What’s the best size for a study room?

Because some rooms house different types of equipment, they will need to be locked. But if our custom is that classrooms are open, then how do we work that differently?

A smooth playing field
Things will take place in this building that only I can understand. When I look at an area, I think, “The fact that this space is built in a certain way has made everybody’s life easier.” People will find that it operates much more smoothly, and that’s how it should be. They shouldn’t stop at every turn and have to think, “Oh, it’s easier because somebody put the door here instead of there.”

And that’s how buildings are. When you look at one, you feel good knowing that it’s running the way it should be. When I was in Educational Services, my feeling was, if we did our jobs incredibly well, people would pay no attention. You just have to make a really smooth playing field where the faculty and students can interact.

Building community
For the new building project, I am embracing a much broader sense of community.

In the end, all the positions that I’ve held here have been about community. When I was doing admissions work, many of our applicants had marvelous scores, grades, and backgrounds. But then you have to ask, How can we enhance the community we have? How can we add some special depth? Ultimately, whom do you want to sit next to in class? So you look at how to enrich the community. I really believe in community; that’s a key value for me. Being involved in something that’s larger than one’s self is very important.

For more of Cindy’s insights on building E62, visit http://mitsloan.mit.edu/magazine.
innovation@work

MIT Sloan executive programs offer you an opportunity to return to the School to reconnect directly with the latest thinking in management practice and learn about new developments in areas such as technology strategy, innovation management, and value chain design. Let your organization benefit from MIT Sloan faculty expertise and current research by attending yourself (with select alumni discounts) or inviting staff and colleagues to enroll in an MIT Sloan Executive Education program.

Executive Certificates

MIT Sloan Executive Education introduced three Executive Certificate tracks in 2006. The certificates have been widely popular with participants. Certificates are awarded to participants who have completed four or more open enrollment programs within a four-year period. Certificates are offered in three areas of concentration and provide executives with the opportunity to tailor their education plans to meet their own career development needs.

Executive Certificate Tracks

- Strategy and Innovation
- Management and Leadership
- Technology, Operations, and Value Chain Management

Visit our website for more information on MIT Sloan Executive Education, including alumni discounts:

> http://mitsloan.mit.edu/alumni/execed

Program News

Companhia Vale do Rio Doce (CVRD) in Brazil recently partnered with the Executive Education team to design two programs for the company’s pivotal managers. The action strategy was to prepare senior managers to support the company’s goal of becoming one of the leading global firms in the mining industry.

With a strong emphasis on putting knowledge into practice, the custom curriculum was comprised of three major learning streams: global strategic management, integrated value chain management, and leadership. As a result, the programs have inspired CVRD to rethink and reinvent its basic processes so that it can position itself for future growth. In addition, the company has hired MIT Sloan MBA alumni.

“In MIT Sloan, we found great people—good friends—totally committed to our transformation. We realized we could tap their exceptional resources to set up processes and systems essential to making us a world class corporation.”

—Marco Dalpozzo, Human Resources and Organizational Development Director, CVRD

If you would like more information about creating a custom program for your organization, please contact us at (617) 253-7166.