

KELLOGG SCHOOL OF MANAGEMENT AT NORTHWESTERN UNIVERSITY

KELLOGG

Spring/Summer 2017
VOL. 24 ISSUE 1

A NEW ERA

The Global Hub opens its doors

OUR NEW HOME

The Collaboration Plaza atrium and Spanish Steps are both a convening space and a pause point — drawing our community together from all compass points.



8-31

A New Era

The 7-Year Plan culminates with the opening of the Global Hub



PHOTO © BOB COSCARELLI

ON THE COVER

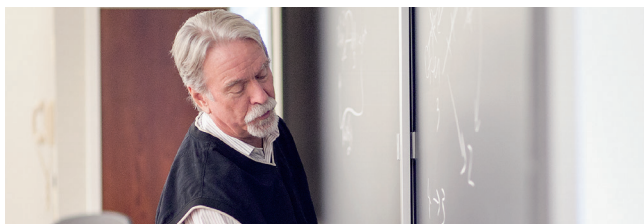
This stunning perspective of the entrance to the 415,000-square-foot Global Hub highlights the creativity and energy that flows through the architecture of the building.

PHOTO BY TOM ARBAN



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KELLOGG HONORS THE LATE KEITH MURNIGHAN

Harold H. Hines Jr. Distinguished Professor of Risk Management



PHOTO © EDDIE QUINONES

With the passing of **Keith Murnighan** in June 2016, Kellogg continues to honor his accomplishments, influence and involvement that spanned far beyond the Kellogg classroom.

Murnighan joined Kellogg in 1996 as a faculty member and went on to serve as a leading member of Kellogg's intellectual community, pioneering groundbreaking research in behavioral game theory and making major contributions to the fields of conflict resolution, management and organizational studies.

"Keith was a prolific and profound writer and a dedicated and award-winning teacher with great skill and an unusual ability to engage students in the classroom," says Dean **Sally Blount '92**. "His intellect and vibrancy is deeply missed by all of us in the Kellogg community."

Along with publishing more than 130 academic articles and seven books, Murnighan's accomplishments include receiving the 2015 International Association for Conflict Management's (IACM) Lifetime Achievement Award, the Distinguished Educator Award from the Academy of Management and an honorary doctorate from the University of London.

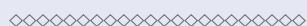
In announcing the lifetime achievement award, IACM President **Anne Lytle '94** praised Murnighan for raising the profile of organizational behavior as a discipline in business school education.

"Not only has he been a prolific researcher and writer, but he has done so in a variety of disciplines and across a wealth of topics, demonstrating incredible flexibility in his intellectual accomplishments," Lytle said in a 2015 interview. "Keith's research has been some of the most creative and widely read in our field."

Keith was most proud of his many doctoral students who are now professors at leading management schools throughout the world. He was broadly viewed as one of the nicest, smartest and most interesting people in his field.

With Murnighan's passing, graduating EMBA students established the Keith Murnighan Scholarship Fund (**kell.gg/kmscholarship**) to honor his legacy of intellectual accomplishments and the lasting and profound impact he has made on Kellogg. ◉

COMPLEMENT YOUR MBA WITH EXEC ED



When you attend Kellogg, you embark on a journey of lifelong learning that doesn't end when you receive your MBA.

"I got my MBA at Kellogg in the mid-'90s, but come back every other year for a program. The leadership journey is something you never quite finish," says **Gaurav Lal '97**, executive director, innovation & alliances at Merck & Co.

To enhance your leadership skills at every stage of your career, join us on campus this year for a multiday residential program:

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More than 40 executive education programs are offered at an exclusive 30 percent discount for alumni, making it easier than ever to stay ahead of the curve. To explore program options, visit kell.gg/kxexeced.

KELLOGG BRINGS LIFELONG LEARNING PROGRAM TO ALUMNI IN COLLABORATION WITH CISCO



PHOTO © EDDIE QUIÑONES

This winter, Kellogg introduced a new immersive learning experience for alumni across the globe, focused on developing Kellogg leaders' talents and giving them lifelong skills to utilize in their careers. "The idea is to provide continuous access to the best Kellogg thinking throughout the careers of our alumni," says Professor **Mohan Sawhney**, McCormick Foundation Chair of Technology, leader of the initiative from the beginning.

The pilot series, titled The Competitive Edge, invited Kellogg alumni to six, 90-minute sessions, where leading Kellogg faculty shared their thoughts and insights for practical application in today's business world.

The series brought state-of-the-art learning opportunities to alumni around the world using Cisco's TelePresence technology to replicate the full classroom experience without the need to travel to Evanston. Involved in the program were 60 alumni located across eight cities throughout the United States, including Chicago, Boston, San Francisco, New York, Dallas, Seattle and Washington, D.C.

"With this series, we've opened up the classroom experience and latest thinking from top Kellogg professors to the entire Kellogg community around the globe," says **John Parker**, clinical assistant professor

and senior program director of executive education. "We plan to build on our success with similar programs in Asia Pacific, Latin America and Europe in 2017. The future is now!"

Delivered in full partnership with Kellogg, Cisco technologies, which has also equipped the Global Hub with a wide range of TelePresence technology, provided the technical infrastructure in each of the eight locations, using their superb TelePresence hardware and WebEx and Spark software product offerings to deliver a one-of-a-kind innovative and immersive learning experience.

"[The most appealing aspect was the] ability to listen to top Kellogg professors give a high-level overview on timely topics and share current best practices that may have changed significantly since graduation," explains Chicago program alumnus **Mark Smolenski '03**. "The cost and convenience cannot be beat. Everyone in the classroom has a Kellogg MBA, which sets a 'ground floor' for the quality of conversations and debates in the classes."

Through this program, Kellogg hopes to continue its efforts in building a mode of lifelong learning for alumni as the school expands its global reach. •

KELLOGG FACULTY AND ALUMNI NAMED 2017 MSI YOUNG SCHOLARS

This year, Kellogg is proud to recognize two faculty members and four alumni as 2017 Marketing Science Institute's (MSI) Young Scholars. Bringing the "best of science to the complex world of marketing," MSI distinguishes rising stars whose novel research already hints at their game-changing potential. Kellogg marketing professors **Blake McShane** and **Song Yao** were named to the esteemed group of scholars for 2017. Kellogg alumni **Andrea Bonezzi PhD '12** (New York University), **Aaron Brough PhD '11** (Utah State), **David Dubois PhD '11** (INSEAD) and **Kanishka Misra PhD '10** (University of Michigan) were also members of this select cohort of scholars. •

"The only sustainable business is one that is solving problems. We are managing money, but we are also trying to solve problems — the retirement problem. Be adaptive and innovative, and the world changes around you."

DAVID KABILLER '87,
Co-founder and principal of AQR Capital Management, delivering his headline speech at the second annual Kellogg on Growth Forum

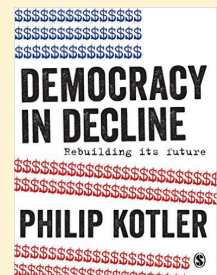
Faculty Bookshelf

PHILIP KOTLER

Democracy in Decline: Rebuilding Its Future

The S. C. Johnson and Son Distinguished Professor of International Marketing, Kotler turns his gaze on democracy in his latest book, examining the political climate as a product and the public as its consumers. Kotler identifies 14 shortcomings in today's democracy and forecasts a gloomy outlook if citizens don't exercise their right to free speech and engage in the issues of the day, regardless of political persuasion.

Now available (SAGE Publications)

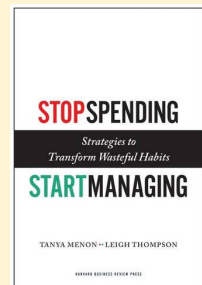


LEIGH THOMPSON (WITH TANYA MENON)

Stop Spending, Start Managing: Strategies to Transform Wasteful Habits

Big challenge at work? You know the drill: Hire a consultant. Bring in a high-potential employee. Schedule a lot of meetings. In other words: Spend, spend, spend. In her latest book, Thompson, the J. Jay Gerber Distinguished Professor of Dispute Resolution & Organizations, melds research with other findings in psychology to devise strategies that break away from these habits and refine managerial skill sets to solve internal challenges — all without spending a dime.

Now available (Harvard Business Review Press)

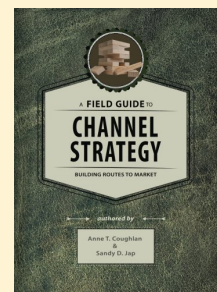


ANNE T. COUGHLAN (WITH SANDY D. JAP)

A Field Guide to Channel Strategy: Building Routes to Market

For product manufacturers and service providers, a channel strategy is fundamental to both a company's sales and survival. But building that route to the end customer can be fraught with challenges. Coughlan, the Polk Bros. Chair in Retailing, demystifies the process and offers steps on how to build that channel, from providing practical frameworks and tools to highlighting critical tradeoffs and potential pitfalls.

Now available (CreateSpace)





LEADING BRAVELY

INTO A NEW ERA

Global Hub Opening Completes Plan for Transformation

Seven years ago, Kellogg launched a bold plan for transformation. With that plan, Kellogg invested deeply in facilities, faculty and staff; rebalanced its degree portfolio and enriched its curriculum; broadened its global presence and increased outreach to the world's best students; all while strengthening its distinctive brand and culture.

Now, the transformation is complete with the long-awaited opening of the Global Hub — 415,000-square-feet of fluid space to build community, incubate ideas and inspire learning. The Global

Hub opens the door, literally, to a new era of business builders, thinkers and innovators who will shape the practice of business for the 21st century. “With the success of our 7-Year Plan, culminating in the opening of the Global Hub, we have cemented Kellogg’s legacy for generations to come,” said Dean **Sally Blount ’92**.

More than a building, this visually stunning space affirms and expands Kellogg’s “DNA,” redefining and distinguishing the institution at the forefront of business education.



A NEW ERA



THE TWO-ATRIUM DESIGN

KPMB Architects was the only firm that offered an innovative approach to the traditional multistory atrium in its design. Instead of one towering space, KPMB stacked two atriums to define specific spaces.

On the ground floor is the three-story Collaboration Plaza, which creates a great hall with numerous places for gathering and conversing. But its wood ceiling is deceptive to those who venture no further.

Atop the Collaboration Plaza is the two-story Faculty Summit piazza, which encourages cross-disciplinary teamwork — as well as informal discussion around the coffee bar. (The “house brew” of the Global Hub, chosen by students, is from Chicago-based roaster Intelligentsia.)

Each atrium is surrounded by windows, showcasing views of Lake Michigan and capturing natural light.



Rising three stories, the ground-floor atrium draws attention upward to an amber-colored wood ceiling and a hanging conference room that seems to defy gravity. Two sets of 34-foot-wide Spanish Steps, named for the famed staircase in Rome, invite spontaneous gatherings on tan and purple cushions placed in the center. Intimate groupings of soft benches and tables punctuate the open space.

This is the 6,000-square-foot Collaboration Plaza, the aptly named central atrium and heart of the Global Hub. Far more than just the name for this gathering space, collaboration is the soul of the entire building and of the Kellogg culture. The Global Hub is designed in its form and function to enable greater collaboration among faculty, staff, students, Kellogg and the world.

Above the Collaboration Plaza sits a second, 9,000-square-foot, two-story atrium, the Faculty Summit. Here, Kellogg's leading research and practitioner faculty and their guests from around the world will discuss and debate the latest social science and business findings on people, networks, organizations and markets. Surrounding a central piazza are six glass-walled meeting rooms on two stories, seating 20 to 60 people each. The design of the Faculty Summit is meant to facilitate both formal and informal connections, to ensure that thought leaders from across academic disciplines and business functions are constantly intermingling.

On floors two and three, the building hosts the magnificent two-story, 6,600-square-foot White Auditorium. This 300-seat global stage sits against a backdrop of Lake Michigan to the east and the

Chicago skyline to the south. This one-of-a-kind venue will host CEO "fireside chats" as well as conferences and panel discussions that bring academic, business, civic and thought leaders together from around the world to discuss the world's most complex business problems.

"The building embodies Kellogg's global standing and distinct identity as an educator. It honors how we uniquely undertake research, teaching and community building," said Dean Blount. "We are known for our courageous and collaborative spirit, our grounded wisdom and our willingness to do things differently from our peers. This one-of-a-kind building exemplifies all of those values. It's visionary, elegant and pragmatic. It was designed with our community's needs in mind, and it speaks to our legacy, as we bravely, and collaboratively, lead into a new era."

"A hallmark of Northwestern and Kellogg is their interdisciplinary and team-oriented approach to education. The new Kellogg Global Hub, designed to encourage interaction between students and faculty and among those groups, is a physical representation of that philosophy," said Northwestern President **Morton Schapiro**. "The new building will enable us to continue to elevate the overall student experience, both in the classroom and beyond. It truly is a state-of-the-art academic facility and a wonderful new home for Kellogg."

A Force of Nature

The vision was to create a space for today's needs with the flexibility to adapt as the future takes shape. "The goal was to build a world-class building to go with our



world-class business school. We wanted this to be a global hub, which meant architecture was important, as well as where we positioned it — right on the lake,” said **Gordon Segal '60**, a life member of the Northwestern University Board of Trustees and chair of the Board’s Educational Properties Committee.


Out of five architectural firms that competed for the project, KPMB Architects of Toronto was chosen, not only for its design, but also its willingness to partner. “We immediately aligned with Kellogg because of a shared belief in the power of collaboration to achieve positive change,” said Bruce Kuwabara, OC, OAA, FRAIC, AIA, RIBA, a founding partner of KPMB.

Through the competition process and multiple lengthy meetings, it became clear that KPMB would be a good team to work with from concept to reality. “The most important thing, I’ve realized over many years, is that the relationship between the principal — in this case, Sally — and the architect has to be really good. It’s like a marriage,” Segal added.

From the earliest concepts, the space was envisioned to capture Kellogg’s tremendous legacy and to bring to life what this institution could become in the next era. One of the initial conceptual ideas was to create a space that empowered the imagination to shape how students and faculty view and engage with their surroundings.

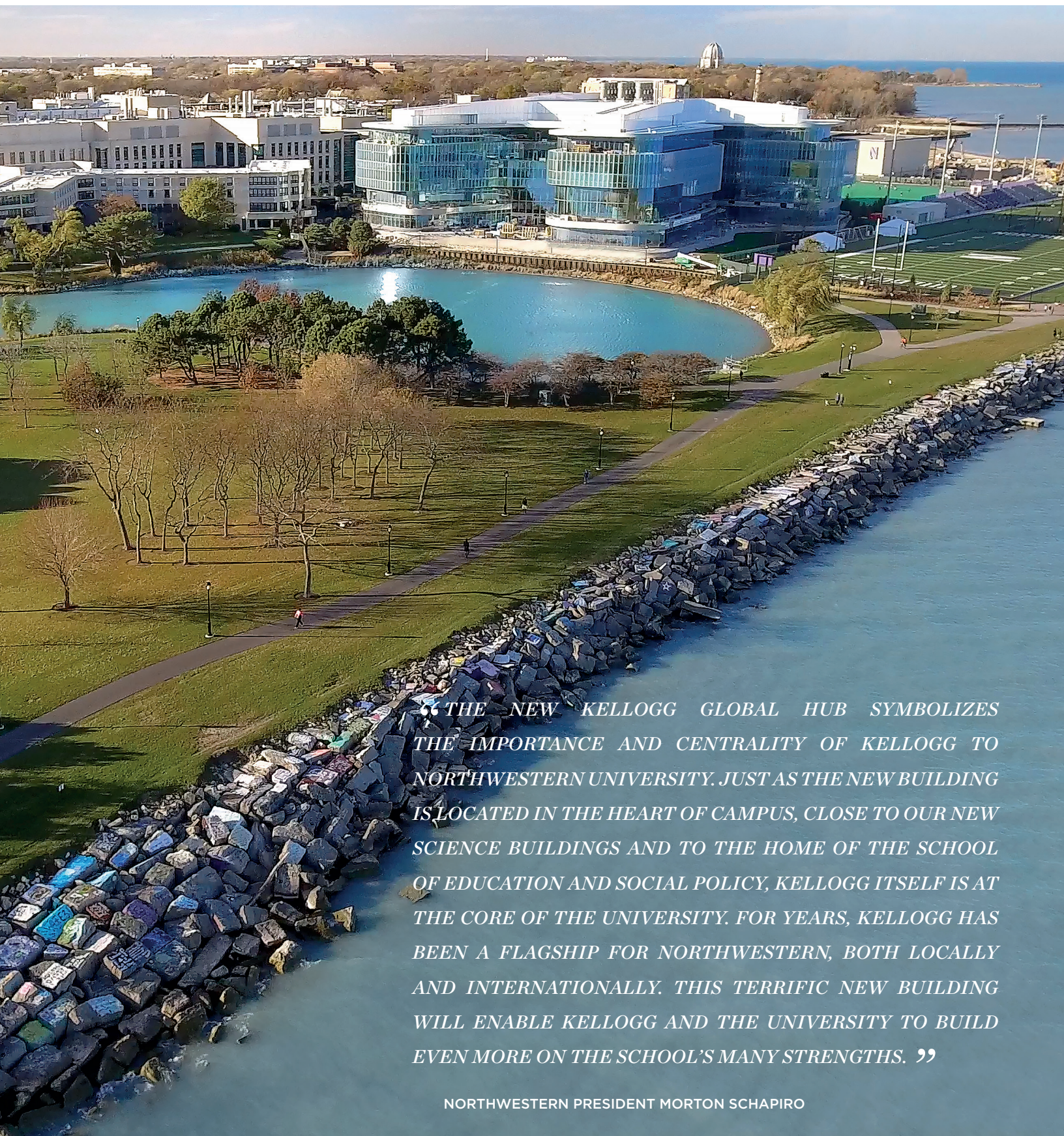
These ideas evolved into the creation of a complete learning experience, drawing inspiration from design practices in museums, theaters,





“ KELLOGG HAS BEEN VERY IMPORTANT TO THE WHITE FAMILY – TWO OF OUR SONS RECEIVED A WONDERFUL EDUCATION HERE. WE WERE HAPPY TO BE AMONG THE EARLY INVESTORS IN THE GLOBAL HUB AND ARE PROUD TO SEE THAT VISION COME TO LIFE. THE AUDITORIUM IS TRULY ONE-OF-A-KIND; THERE’S NO OTHER CONVENING SPACE LIKE THIS IN THE WORLD. WITH ITS GREAT VIEW OF THE CHICAGO SKYLINE, IT BRINGS NORTHWESTERN A WORLD-CLASS FACILITY FOR THE FUTURE BUSINESS LEADERS WHO WILL LEARN HERE. ”

ABBOTT CHAIRMAN & CEO, MILES WHITE



“THE NEW KELLOGG GLOBAL HUB SYMBOLIZES THE IMPORTANCE AND CENTRALITY OF KELLOGG TO NORTHWESTERN UNIVERSITY. JUST AS THE NEW BUILDING IS LOCATED IN THE HEART OF CAMPUS, CLOSE TO OUR NEW SCIENCE BUILDINGS AND TO THE HOME OF THE SCHOOL OF EDUCATION AND SOCIAL POLICY, KELLOGG ITSELF IS AT THE CORE OF THE UNIVERSITY. FOR YEARS, KELLOGG HAS BEEN A FLAGSHIP FOR NORTHWESTERN, BOTH LOCALLY AND INTERNATIONALLY. THIS TERRIFIC NEW BUILDING WILL ENABLE KELLOGG AND THE UNIVERSITY TO BUILD EVEN MORE ON THE SCHOOL’S MANY STRENGTHS.”

NORTHWESTERN PRESIDENT MORTON SCHAPIRO



PHOTO © SAMER ALMADANI

hotels and other buildings, and from the Global Hub's extraordinary lakefront setting.

Kuwabara described an early site visit when he walked toward Lake Michigan and immediately noticed the slabs of concrete and large stones used to stabilize the shoreline. "The first inspiration was the action of the water and the waves, and how they round off materials and forms to make them smooth. It was beautiful — the force of Lake Michigan and nature." This vision is instantly apparent in the building's undulating curves that not only give it a distinctive look and shape, but also speak to flowing with the forces of change.

As part of their early collaboration, Kellogg and KPMB visited innovative buildings such as the headquarters for Facebook, Pixar and Google, as well as other business schools. The objective was to more deeply understand "how to translate between where students are today at Kellogg and where they might be going in terms of innovative thinking in the future," said Marianne McKenna, OC, OAA, OAQ, FRAIC, AIA, a founding partner of KPMB.

The Global Hub marries multiple elements: glass and concrete, wood and stone — even fire and water, thanks to fireplaces, outdoor fire pits and expansive views of Lake Michigan. The 9,000-square-foot Montag Vista serves as an outdoor gathering space facing eastward to the lake and southward to the city, capturing the energy and fluidity of the lakefront. Magnificent in design, the building has unexpected features: wood soffits in a Brazilian walnut known as ipe sit above the glass panes from Germany and Ireland

that encase the building, and both frame the limestone panels from Portugal that cover core structural walls on the building's interior.

Educating and Inspiring Brave Leaders

The Global Hub is also brilliant in function, with flexible and diverse spaces that enhance the collaboration, creativity and team-based learning for which Kellogg is known. Kellogg has always believed in the value of face-to-face education for discourse and the exploration of ideas. "The magic of Kellogg is what happens when people participate in discussion and dialogue, whether between faculty and students, staff and students or among the students," said Kellogg's Chief Innovation Officer, **Betsy Ziegler**. "Our deeply interactive and relational model is one of the distinguishing features of Kellogg's business education."

To be prepared for the future of teaching and learning in 2050 and beyond, the Global Hub needed flexibility in classroom design and usage. The traditional tiered setting, which works well for lectures, is not as conducive to small group discussions and new forms of collaborative learning. For those, a flat classroom format that allows tables to be arranged in different configurations works best. In the Global Hub, form follows function with flexible classrooms that can be converted from tiered to flat, depending upon instructional needs. Some rooms also can be subdivided into smaller spaces, or enlarged by removing walls between them. This flexibility not only serves Kellogg's needs today, but also

provides for greater adaptability in the future.

Advanced technology is embedded throughout. Classrooms are equipped with the latest audiovisual capabilities and new learning technologies, such as lecture capture to record instruction and discussion and telepresence. Students at Kellogg's Chicago and Miami campuses can "beam in" to participate in a classroom discussion. Telepresence also facilitates guest lectures and other live and interactive opportunities to enrich learning that are both social and synchronous.

The Global Hub has space for hands-on and experiential learning, such as the 7,800-square-foot Galvin Family Design Wing and Conference Center dedicated to catalyzing idea generation and provoking innovation.

The Galvin Wing includes four design studios, two of which have been named by The Kohler Company and one by the DeNaut Family.

For example, the Technology Play Room has screens for drawing on walls and a virtual reality experience to help students use visual technologies to expand their thinking and ideation processes. The wing's Artist's Studio and artist-in-residence program will welcome musicians, painters, composers and others to work on-site where students can watch the creative process in action; and the Company-in-Residence Office will host business leaders and entrepreneurs on-site for several days at a time to meet with students while they are actively managing their teams and making real-time business decisions.



“CINDY AND I SHARE A PASSION FOR INNOVATION AND THE IMPORTANCE OF DESIGN. THE IDEA THAT SPACE DEDICATED TO FOSTERING INNOVATION, DESIGN AND CREATIVITY WAS BEING BUILT INTO THE FIRST FLOOR OF KELLOGG’S GLOBAL HUB WAS SOMETHING WE WANTED TO CELEBRATE AND SUPPORT. THIS TYPE OF THINKING WILL BE CRITICAL TO BUSINESS SUCCESS IN THE 21ST CENTURY.”

CO-FOUNDER, HARRISON STREET CAPITAL AND RETIRED CHAIRMAN & CEO OF MOTOROLA INC.,
CHRIS GALVIN '73, '77

PHOTO © BOB COSCARELLI



GALVIN FAMILY DESIGN WING

LEVY ENTREPRENEURSHIP STUDIO





PHOTO © BOB COSCARELLI



The Levy Entrepreneurship Studio provides a creative workspace where student entrepreneurs will discover, test and launch new ideas.

“Carol (Levy ’64) and I have been supporting Kellogg for years through the Levy Institute for Entrepreneurship. It was important to us that entrepreneurship be incorporated into and inspired by the design of the new building, and it is. We couldn’t be more thrilled,” said **Larry Levy ’66, ’67**, co-founder of Levy Restaurants.

Across all venues, the unique features of the Global Hub will infuse new meaning in Kellogg’s long-standing belief that, as Ziegler said, “Business education is not one-size-fits-all. Kellogg is at its best when it is pushing the boundaries of business education.”

A Home for Breakthrough Ideas and New Collaborations

The seven-year process of siting, conceptualizing, designing, funding and building the Global Hub included input from many committees of faculty, students, alumni and staff. Not surprising, top of the wish list from faculty and staff was having more open space to facilitate greater collaboration. “Having free flow between departments and encouraging interactions between faculty and practitioners with different perspectives are very useful and very fruitful. It shapes how we talk about issues in the classroom and where we see interesting research opportunities at the boundaries of these disciplines,” said **Martin Lariviere**, the John L. and Helen Kellogg

VISUALLY STUNNING AND ECO-FRIENDLY

The Global Hub is not only a visually stunning example of architecture influenced by its surroundings — its curved interior and exterior walls mirror its lakefront setting. It is also eco-friendly.

When the sun's rays are not pouring through its numerous triple-glazed exterior windows, the building features 6,000 LED lights to illuminate its spaces. Under the

football field next to the Global Hub lies a geothermal area providing 60 to 70 percent of the energy necessary to heat and cool the building. Other features including automated window shades, low-flow plumbing fixtures to conserve water, and a groundwater reservoir for landscape irrigation all contribute to the building being on track to attain gold LEED certification.





Professor of Operations and chair of the operations department.

In addition to housing all seven of Kellogg's academic departments and its four strategic initiatives, the Global Hub will be home to the Weinberg College Department of Economics. "We are delighted that our world-class Economics department will be housed in the Global Hub, a signature interdisciplinary space at Northwestern. We have no doubt that the space will enhance the collaboration between economists in Weinberg College of Arts and Sciences and their counterparts in the Kellogg School of Management," said **Adrian Randolph**, Dean of the Weinberg College of Arts and Sciences.

Built to be a truly global hub, Kellogg's new home is designed to welcome academics and practitioners from around the city, country and world. This made the environment and the aesthetics particularly important. "We wanted this to be a place that people would want to travel to, to be a central node in the global network of business thinking," added **Robert Magee**, the Keith I. DeLashmutt Professor of Accounting Information and Management.

Pioneering Across Generations

As the final milestone of Kellogg's transformation, the Global Hub celebrates the achievements of prior generations and marks the beginning of a new era for Kellogg. Kellogg's legacy in business education is commemorated on the first floor in the Jacobs Wing, named for **Donald P. Jacobs**, Kellogg's



“ THE CLASSROOM IS WHERE IT ALL BEGINS AT KELLOGG. SUSAN AND I ARE MOST PLEASED TO FUND LEARNING AT ITS CORE. WE LOVE THE FACT THAT THE CLASSROOMS ARE BUILT WITH THE FUTURE IN MIND. WITH THE BUILDING’S LOFT STRUCTURE, THEY CAN BE RECONFIGURED IN A SUMMER. THAT’S A FORWARD-THINKING INVESTMENT. ”

CO-CHAIR, KELLOGG CAPITAL CAMPAIGN AND FORMER CHAIRMAN & CEO OF THE HERSHEY COMPANY, RICK LENNY '77





NOVEMBER 2009
Northwestern University
announces plans to
construct a new building
to house Kellogg's
Full-Time MBA Program

2011
Kellogg unveils
its 7-Year Plan for
Transformation

2013
Kellogg kicks off the
public phase of \$350
million capital campaign
and breaks ground on the
Global Hub



APRIL 2014
Construction
officially begins



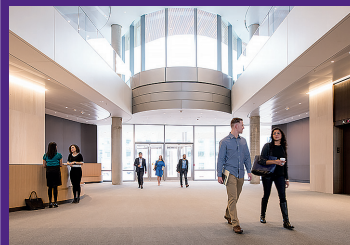
PHOTO © SCOTT NORSWORTHY



DECEMBER 2016
Global Hub is completed

JANUARY 2017
Initial move-in begins

MARCH 27, 2017
The official opening of the Kellogg Global Hub



TENDING TO THE NEEDS OF THE “WHOLE PERSON”

Larry Levy '66, '67 was involved in early planning of the building and provided valuable insight on the design of The Market. He and his wife recognized that students spend much of their day at school and on campus. By offering healthy meals, workout facilities and social spaces, the Global Hub will provide for the “whole person.” “Diet and exercise are as important to a long, happy life as what happens in the classroom,” Levy said.

This emphasis on personal balance encompasses both action and reflection. “Where are you supposed to go to have a private moment to reflect?” asked **Esther Choy '09**. The need for a reflection room might not hit everybody the same way, but it hit Choy “like a lightning bolt.” Students are flooded with opportunities and ideas, yet rarely have the space to reflect on them, believes Choy. With the creation of the BEAM Reflection Room, students seeking quiet, personal time now have a place.



PHOTO © BOB COSCARELLI

dean from 1975 to 2001. As Dean Blount explains, “Don’s vision for what Kellogg could become put us on our trajectory to global standing. We are all here today because of Don.” The 8,500-square-foot Jacobs Wing occupies the southwest quadrant of the first floor, hosting several large classrooms and smaller study rooms, as well as the innovative and spacious Shannon Family Lounge, with spaces that open new pathways for out-of-class study and collaboration.

Long recognized for its breakthrough research in marketing, finance, strategy, game theory and negotiation, as well as development of the team-learning model, Kellogg has been critical to the advancement of business knowledge and education for decades. It will continue to lead in emerging areas such as human-machine intelligence, next generation data analytics and data visualization, shaping healthcare management and policy, scaling innovation and entrepreneurship, and developing and teaching new forms of conflict resolution.

The Global Hub will act as a beacon of learning, situated on the shores of Lake Michigan, attracting business thinkers, builders, researchers, creators, conveners and dreamers from around the world to the great city of Chicago. The Global Hub will further Kellogg’s mission to educate, equip and inspire the next generation of brave 21st-century leaders who will challenge convention, reshape the practice of business and inspire growth in themselves and others. ◦

“ WE HAVE TRANSFORMED BUSINESS EDUCATION AND WE’RE DOING IT AGAIN. THIS BUILDING SYMBOLIZES THAT IN THE MOST POTENT AND POWERFUL WAY. THE FACT THAT WE COULD DO SOMETHING LIKE THIS – THAT WE COULD CREATE SOMETHING SO EXTRAORDINARY AND FUND IT THROUGH THE GENEROSITY OF OUR ALUMNI – THAT SHOWS THAT KELLOGG IS TRULY A MARKET LEADER AND WILL BE SO FOR MANY GENERATIONS TO COME. ”

DEAN SALLY BLOUNT '92







“We try to treat everybody, whether big or small, with a very high degree of service.”

From left to right: Paul Lishnevsky '09, division president, exam gloves; Tony Ricchio '10, vice president, inventory management; Andy Mills '85, president; Nancy (Ellis) Mills '88, vice president, corporate branding and strategy; Randall Schenck '15, senior director, facilities; Sissi Miao '09, division president, advanced wound care; Diana LeFebvre '12, division president, lab & diagnostics; and David Jacobs '98, executive vice president, post-acute care

The inclusive executive

AT MEDLINE INDUSTRIES, PRESIDENT ANDY MILLS HAS BUILT A TOP-DOWN CULTURE THAT LISTENS, LEARNS AND WORKS TOGETHER

In 1997, **Andy Mills '85** began his tenure as president of Medline Industries, a fourth-generation family business with roots in the Chicago area dating back to 1910.

From humble beginnings as a manufacturer of surgical gowns and aprons for doctors and nurses, Medline had grown into the largest privately held medical supplier in the United States, including international business, customers around the globe and double digit growth year over year.

During Mills' earliest days as president, two of Medline's most important values — teamwork and empowering employees — started to shine. It's those values, instilled in Mills since his time at Kellogg, that the company credits for its continued growth.

Today, Medline employs more than 15,000 people in offices worldwide and does \$9 billion in annual sales. Its products span far more categories than just hospital gowns and include gloves, lab supplies, CPR masks, scrubs, surgical instruments and more. Innovating on common medical supplies, with a deep sense of collaboration across all levels in the company, keeps Medline formidable.

Medline's recent move to their new Northfield, Illinois, headquarters exhibited the latest advancement in their collaborative company culture. Mills and his team made this monumental decision — filled with risks and opportunities — by taking into account what was best for the business and its employees. Through focus groups, employees shared their needs and wants, and senior leadership listened. Decisions about the new headquarters involved Medline employees every step of the way.

This culture also drives the company's innovation, and hence its superior products. For example, after learning that medical practitioners were tearing through a lot of vinyl gloves, employees knew they needed a creative solution. Senior leadership told them to go for it.

"With every boss I've had at Medline, if I came up with an idea, the answer was always, 'Go try it,'" says **Paul Lishnevsky '09**, division president of exam gloves.

Eventually, Medline introduced Glide-On gloves. By coating a vinyl glove with a polymer that allows the glove to slide onto hands more easily, Medline created a product that improved staff efficiency, reduced tearing waste and had a significant impact on the customer bottom line.

Medline remains a business founded on familial vibes — thanks to additional founding family members including **Nancy (Ellis) Mills '88**, vice president of corporate branding and strategy; **Sam Barnett**, lead investment strategist and Neuroscience PhD candidate at Kellogg; **Wendy (Mills) Abrams '90**, environmental activist, founder of public art exhibition Cool Globes and one of Medline's sustainability leaders; and **William Abrams '90**, division president of distributed products for the company.

But, the cornerstone of Medline is that the company doesn't take any of its success for granted. They are always listening to their customers, whether big or small, to constantly deliver a high degree of service and value.

"We try to treat everybody, whether big or small, with a very high degree of service," says Mills. "That's a function of taking nothing for granted and treating everybody how you want to be treated." ♦

BY ANDREW ZALESKI PHOTO BY RON WU



“Being able to bring affordable, quality medicine to markets and make a difference is a tremendous satisfaction.”

The considerate pharma exec

THROUGH COMPASSION AND DRIVE, VINITA GUPTA HAS TURNED LUPIN LTD. INTO A GLOBAL POWERHOUSE PROVIDING AFFORDABLE GENERIC DRUGS WORLDWIDE

As a kid growing up in India, **Vinita Gupta '92** loved to paint. Her father, Desh Bandhu Gupta, the founder of pharmaceutical giant Lupin Ltd., suggested a career in architecture, in which his daughter could hone her artistic sensibilities. But after joining her dad on a business trip to Zurich, Switzerland, when she was 14, Gupta's creative instincts found a new locus. She dreamed of taking the firm global, an art form all its own.

"I was always very much impressed and in awe of my father's passion," says Gupta, CEO of Mumbai, India-based Lupin. "He built the organization with a focus on values and fairness. He started an institution that solved a strong need for providing medicine in the area of infectious diseases. I was very easily attracted to the business, and I wanted to find a way to add value to it and further it."

Now, more than three decades after that business trip, Gupta has made good on her early ambitions. Under her leadership, Lupin has become the world's seventh-largest generic drugmaker and India's third biggest pharmaceutical company.

The firm got its foothold in the United States in 2005, when it bought the rights for the antibacterial drug Suprax and reintroduced it to the market. That same year, Lupin launched its generic business.

"Being able to bring affordable, quality medicine to markets and make a difference is a tremendous satisfaction," Gupta says. "That really helped us tremendously in the early days, to establish ourselves and to gain a reputation as a differentiated

player. Very rapidly, we were able to gain share within the generic market."

After acquiring a dozen companies in the last decade, the firm maintains lofty ambitions: It hopes by fiscal year 2018 to tally \$5 billion in sales.

In March 2016, Lupin acquired New Jersey-based Gavis Pharmaceuticals, a producer of generic drugs. At \$880 million, the purchase was the largest foreign acquisition by an Indian pharmaceutical company. The acquisition made Lupin the fifth-largest pharmaceutical company in the United States.

Gupta is based in Naples, Fla., home to Lupin Ltd.'s North American headquarters. The company does half of its business in the United States, but it maintains a sizable footprint in Japan, South Africa, Mexico and Brazil.

The company's rising star has brought numerous accolades to its own star, with Gupta garnering membership in *Forbes'* Asia's 50 Power Businesswomen list for 2016.

After earning her pharmacy degree in India, Gupta enrolled at Kellogg because of the school's emphasis on international business and marketing. "It was a very targeted approach," she says. "I had determined that I really wanted to get that training and exposure."

In an era of ballooning pharmaceutical costs, Gupta says Lupin and its generic drug business has created \$16 billion in savings to U.S. patients alone. It's one of her abiding motivations.

"Everything we do is about making a difference," she says. •

BY ANDREW FAUGHT PHOTO BY JEFFERY SALTER

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How to Make Ads That Even Savvy Customers Trust

People are more skeptical than ever about marketing — but that doesn't mean they distrust all of it



 BASED ON THE RESEARCH OF
MATHEW S. ISAAC AND **KENT GRAYSON**

Illustrations by **Lisa Röper**

Your company is debating a marketing strategy for an upcoming sale. Should the ad campaign stress that your products are routinely given high ratings by *Consumer Reports*, or do you want to remind customers that the sale price will only be offered for a limited time?

If combating skepticism is a goal, touting your *Consumer Reports* rating might be the way to go. New research from a Kellogg School marketing professor and a colleague shows that customers find some marketing tactics inherently manipulative, but others — like third-party rankings — legitimate and informative.

This finding is more nuanced than previous research, which has generally espoused a more narrow marketing industry mantra: Customers implicitly distrust all advertising strategies, because they know they are being persuaded to buy something.

“What we have done is challenge the stereotype of marketing as being perceived as wholly deceptive,” says Kent Grayson, an associate professor of marketing.

ARE ADS ALWAYS MANIPULATIVE?

So which marketing tactics do people tend to trust?

Grayson and his colleague Mathew Isaac of Seattle University (a former Kellogg PhD student) began their research by asking more than 400 consumers to complete one of two online surveys about 20 different advertising and sales tactics.

In one survey, participants scored these tactics for 12 traits, six of which were positive and six negative. In the second survey, people were asked to pick one word out of a list of 12 that they felt best described a given tactic. The results from both surveys showed that participants considered some tactics positive (scoring them high on words like “helpful”), while they considered other tactics negative (scoring them high on words like “dishonest”).

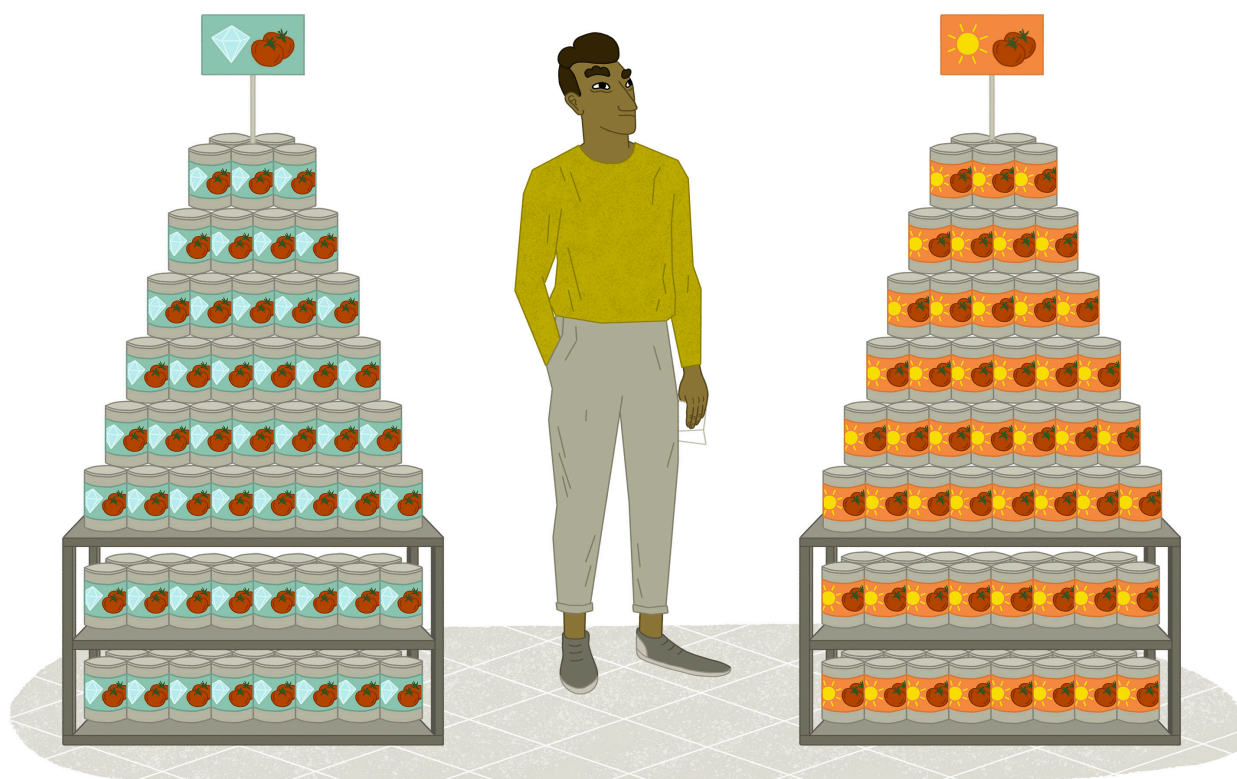
Overall, says Grayson, “we found there are quite a few tactics that consumers trust.”

At the top of the list for trustworthiness were tactics like pledging to match competitors’ prices or allowing customers to return a product for a full refund if they don’t like it. At the bottom of the scale were tactics like comparing a product to an unrelated item, like a precious jewel, or stressing that a product will be on sale for a “limited time” only.

“If you asked these same consumers whether they trust marketers, they might say no,” Grayson adds. “But it is revealing that when it comes to specific tactics, consumers do trust some more than others.”

KEEPING AN OPEN MIND ABOUT PERSUASION TACTICS

The belief that consumers are innately skeptical of marketing is shared by both business leaders and academics. It is not uncommon for the business press to publish surveys showing that consumers in general (and millennials in particular) distrust companies and disbelieve advertising. In academia, researchers have commonly assumed that consumers have “persuasion knowledge” — that is, a savvy understanding of how marketing can be manipulative and a tendency to therefore be defensive whenever they are the target of a sales pitch.





Ranking Marketing Tactics

Which tactics do people find most and least credible? Here is a sampling of what Grayson and Isaac's research shows.

MOST CREDIBLE

- ☒ An ad reports a product's position on a ranked list from a verifiable third party, like *Consumer Reports*.
- ☒ An ad mentions that customers can try a product for an extended period of time and return it for a full refund.
- ☒ An ad reports the high customer rating a product has on a website like Amazon.
- ☒ An ad reports both the regular price and the sale price of a product.

LEAST CREDIBLE

- ☒ An ad repeatedly emphasizes that a product will be on sale for a "limited time" only.
- ☒ An ad features a celebrity who endorses a product or claims to use it.
- ☒ An ad compares a product to an unrelated item, like a precious jewel or fine animal.
- ☒ An ad uses paid actors to play the role of consumers giving positive product reviews.

But Grayson and Isaac thought that this common assumption about consumers was incomplete, and that persuasion knowledge might also include an understanding of how marketing can be helpful and informative.

They conducted a series of experiments to test this. But, importantly, they prefaced these experiments differently than previous researchers had done. Rather than reminding participants that they should be skeptical because marketing tactics are designed to manipulate them into making a purchase, Grayson and Isaac instead encouraged participants to keep an open mind about motives.

In one experiment, the researchers showed online participants an ad for headphones. Before viewing, one group was told to consider why a company might have used a particular advertising approach, while a control group was told to simply think about what they look for in a pair of headphones.

When the ads used a tactic that had been deemed credible in the initial experiments, such as quoting positive reviews from industry experts, participants who were told to think about the advertising tactic were more likely to think favorably of the ad than those who were simply thinking about headphones. But this was not the case for ads that had been deemed manipulative, such as using paid actors to give positive testimonials.

"Our experiments highlight the fact that consumers do not just hold beliefs about when and why marketers deceive us," Grayson says. "They also form beliefs and ideas about when and why to trust an ad."

ASSUME LESS SKEPTICISM

Some tactics, such as price matching, may be considered more credible because they are easier to verify than other marketing ploys, such as whether a celebrity actually uses a particular brand of coffee, Grayson says.

Simply assuming that every buyer is skeptical could lead to wasted time and money. "If you approach marketing with the presumption that people perceive all your actions with suspicion, you may end up taking an overly careful approach to avoid triggering an effect that is not there," he says.

Instead, advertising professionals could focus on identifying aspects of their brand or marketing campaigns that buyers find informative and helpful.

"Marketers may benefit from having a more sophisticated understanding of the extent to which their target consumer is cynical about marketing," he says. •

+ **RELATED READING** [Is Your Digital Ad Campaign Really Working?](https://kelllogg.advertmeasurement.com/Is-Your-Digital-Ad-Campaign-Really-Working/)
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Are Deadlines Costing You Your Best Ideas?

Extra time isn't just a luxury: It's an undervalued tool for tackling creative problems



Illustrations by Yevgenia Nayberg

Slow down. You move too fast.

Okay, so Simon and Garfunkel weren't singing about growing a business. But even as you strive to get ahead, it may be worthwhile to take the scenic route, particularly when it comes to generating and refining ideas. Yet no one wants to waste their or their company's time.

On the following pages, two Kellogg professors offer their research and insights into how to use extra time wisely.

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How Can Self-Reflection Make You
a Better Leader

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Think You're Out of Ideas? Think Again.

You're sitting at your desk trying to come up with creative solutions to a problem. You rack your brain for a while, scribble down half a dozen ideas, and then hit a wall. Have you already reached your creative peak? Or should you force yourself to keep brainstorming?

"People just give up too easily," says Loran Nordgren, an associate professor of management and organizations. "They're robbing themselves of their more interesting ideas by giving up too soon."

Anecdotes and research alike suggest that dogged persistence is key to creative success. James Dyson developed 5,127 prototypes in his quest to invent a better vacuum cleaner. And one study showed that the number of famous pieces a composer produces during a given time period is linked to the sheer volume of compositions produced.

However, it is not clear whether people actually understand this link between persistence and creativity.

So Nordgren collaborated with Brian Lucas, then a doctoral student at Kellogg, on a series of experiments in which participants were asked to generate creative ideas. Brainstorm sessions were split in half, which gave participants an opportunity to use their experience from the first interval to predict how many ideas they would generate during the second.

Participants tended to underestimate how much persistence pays off. In one experiment, for instance, 24 university students brainstormed original dishes to serve at Thanksgiving. After the first interval, the students predicted they could come up with about 10 more ideas, but they actually generated about 15.

Interestingly, many of the ideas generated during the first interval were commonplace, such as turkey and mashed potatoes. But the ideas became more creative during the second part. For instance, one participant suggested turkey-shaped waffles.

And the more creative the task, the more people underestimate the value of persistence. In another experiment,

some participants performed a high-creativity task, such as brainstorming uses for a cardboard box, while others were given a low-creativity task, such as solving simple math problems. The participants in the low-creativity group did slightly undervalue persistence. But the high-creativity group undervalued persistence even more.

What might explain the results? Creative work is nonlinear, so unlike with math problems, it is not clear if more effort will yield more answers.

The take-home message: If you reach a point in a creative task where you feel stuck, ignore that feeling. At least for a while. The researchers are not advocating that people persevere indefinitely. And there is no magic formula to figure out when you have reached the best solution.

Still, Nordgren finds it useful to apply the research to his own work. For instance, if Nordgren and his colleagues have a half-hour meeting and come up with only mediocre ideas, they do not give up.

"Judge the quality of the solutions you have thus far, and if they're inadequate, you should continue," he says. "There's good reason to believe that there are better solutions out there." •



When Should Entrepreneurs Slow Down?



💡 BASED ON INSIGHTS FROM **DAVID SCHONTHAL**

David Schonthal isn't one for wasting time. A clinical associate professor of innovation and entrepreneurship at the Kellogg School and a portfolio director at IDEO, he's a big fan of getting ideas out into the world quickly. This means you find out as soon — and inexpensively — as possible what works and what doesn't.

Still, his entrepreneurial experience has shown him the value of refusing to rush two particular steps of the design process — iteration and synthesis.

Schonthal sees it all the time: entrepreneurs who don't understand just how long it takes to fully prototype, test, analyze and refine a product.

"People often don't build time in for the iterative process," he says. "They look at iteration as a very linear progression: You go from here to here to awesome-

ness. But the reality is, iteration is totally messy. You go from here to here to here to here to back to here to here."

To allow for that messiness, Schonthal advises factoring in time for lots and lots of iteration cycles.

The good news is that, over time, these cycles do tend to get shorter and shorter.

He points to the experience of student entrepreneurs he oversees in Kellogg's Zell Fellows Program, a selective venture accelerator. It takes the students three weeks to move through the first iteration cycle, he says. The next cycle takes two weeks. By the end of the eight-month program, each cycle takes less than a week because the students have learned what is "good enough" to get an assumption validated — or invalidated — and move on.

Another reason entrepreneurs should allow themselves plenty of time? Synthesis.

Deliberately pausing to reflect on what has been observed so far is one of the most important components of the iteration process. And it is a step that is often overlooked.

"I can't think of very many organizations that create a very clear project objective for reflection," Schonthal says. "Usually it's 'Go, go, go, go, go! What's the next step? What's the next step?' Well, sometimes the best next step is taking a look back at what's happened already and taking the time to make sense of it."

It is natural — even expected — to realize during the synthesis process that the problem you set out to solve with your product may not be quite the problem your product actually solves. That may seem like less than great news, but there is an upside: Taking time to reflect makes course correction possible.

"Trying to rush synthesis or sense-making is the kiss of death," he says. "Unexpected insights are never on the surface. If they're on the surface, they're obvious to everybody, and they're probably not all that innovative." ♦

Practicing What They Preach



Illustration by Michael Meier

Financial advisors may be giving questionable investment advice — but they put their own money in the same funds

The financial journey to retirement may feel more like a labyrinth than a well-marked path. Is paying into our employer's 401(k) plan enough? Will we be able to retire young enough to enjoy time with the grandkids?

Overwhelmed, many of us turn our investments over to the experts. In fact, nearly half of U.S. households have received investment guidance from financial advisors.

But researchers and policymakers have begun to question the value that advisors create for their clients.

One concern is what seems like a conflict of interest. "The idea has been raised that advisors have the wrong incentives, that they're pushed by their personal interest to put clients into funds that pay higher commissions," says Kellogg's Brian Melzer.

Because advisors generally earn commissions from the funds that they sell, they have a financial incentive to recommend frequent trading and to encourage their clients toward pricey, actively managed funds that pay higher commissions. Yet many experts believe that the majority of retirees would earn more money in low-cost, passive index funds.

This potential conflict led the Department of Labor to rule in April 2016 that people providing advice to retirement savers must put the interests of the savers over their own.

If implemented (and under the new administration its future is in doubt), would such a rule actually improve retirees' investment performance? New research by Melzer, an assistant professor of finance, indicates that it would not help much.

The research shows that advisors' problematic choices for their clients do not stem from a potential conflict of interest. Rather, advisors genuinely believe that active trading and fund management provide value.

ACTIVELY BELIEVING

If advisors knew that active management served their clients poorly, Melzer reasoned, "you wouldn't expect advisors to hold the same funds in their own portfolios."

So he and two colleagues analyzed 15 years' worth of data from three Canadian financial institutions to compare the portfolios that financial advisors build for themselves with the ones that they recommend to clients.

Sure enough, the researchers found a surprising degree of overlap between an advisor's portfolio and the portfolios of his or her clients. In fact, financial advisors' personal portfolios actually performed worse over the same period than the portfolios of their clients.

Additionally, the researchers found that even when advisors leave the business, "they continue to hold the same types of portfolios," says Melzer. "And any new investments they buy typically look like they did before they left the business."

Self-selection, rather than conflicts of interest, might be driving poor financial advice, the researchers suggest.

After all, people who believe strongly that the market can be beaten may be disproportionately likely to become financial advisors.

"There is some cognitive dissonance there, if you're going into an actively advisory role, and then what you say to your clients is that you ought to do passive investing," says Melzer.

LITTLE CUSTOMIZATION

The powerful resemblance between the portfolios of advisors and clients has another unexpected implication:

"The idea has been raised that advisors have the wrong incentives, that they're pushed by their personal interest to put clients into funds that pay higher commissions."

Most advisors favor a one-size-fits-all approach to investment.

In a second, related study, Melzer and his colleagues found that, despite wide differences in personal traits, clients who share a financial advisor end up with quite similar-looking portfolios.

"Advisors often hang their hat and market their services based on being in tune with client circumstances," Melzer says. "What our data shows is that the identity of the financial advisor says much more than does the investor's risk tolerance, their income and their point in the life cycle."

Clients paired with a financial advisor who took on substantial risk in their personal portfolio allocated 15 to 20 percent more of their portfolio to equities than clients paired with an advisor who personally took on low risk. This pattern held even among clients with low risk tolerance.

WHERE ADVISORS ADD VALUE

Melzer and his colleagues' work has been cited in a wide range of policy reports, regulatory analyses and legislative testimony, as policymakers wrestle with the high fees associated with financial advice.

Still, Melzer cautions against assuming that financial advisors have no role to play in retirement planning. They can offer clients a big benefit by simply giving them confidence to invest in the first place.

"Equities on average earn higher returns," he says. "There's risk associated with that, but long term, your money will compound at a much lower rate if you just leave it in a bank account."

Or perhaps clients are taking advantage of other services offered by the advisor's firm such as budgeting, advice on saving for college or estate planning.

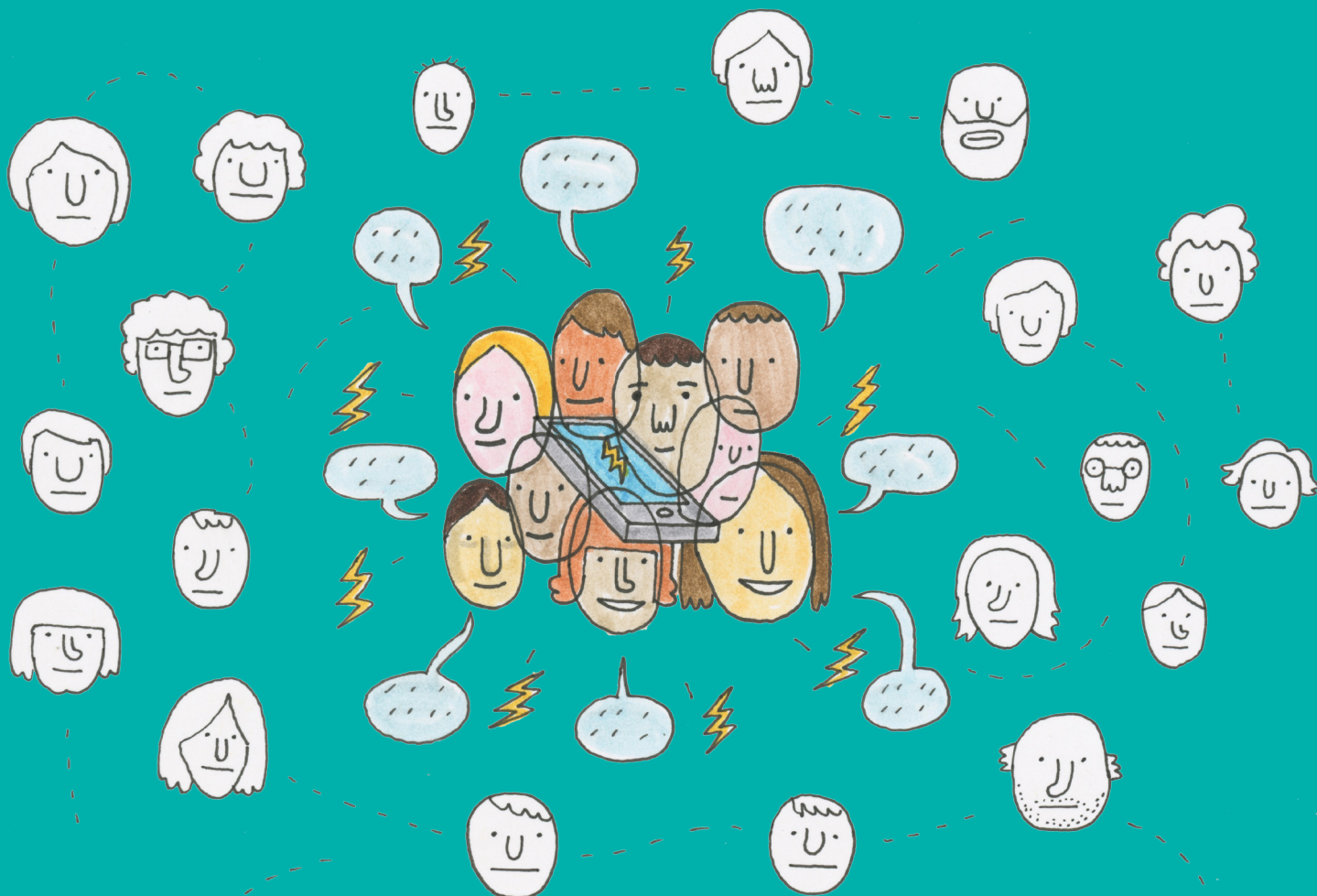
There is also a psychological value. Not everyone is comfortable holding risky assets without having someone to check in with, especially if the market dips. "I take that very seriously: that people feel they are buying psychological security when they have an advisor," says Melzer.

But he also offers that, ideally, there would be a way for clients to find emotional security without paying such a high price. ♦

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A Society Connected

Illustrations by **Nate Otto**

How understanding social interactions can illuminate everything from where to launch a product to how diseases spread

As humans, we seek out connections to family, friends, coworkers and neighbors. Yet our networks do more than provide a sense of community.

Here's a look at research from two Kellogg professors who are exploring how networks impact businesses and society.

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Are Tight-knit Communities Better at Adopting New Technologies?

BASED ON THE RESEARCH OF **BRYONY REICH**

At a restaurant with friends five years ago, Bryony Reich described a new messaging app called WhatsApp, which provided free international chatting. Everyone in the group downloaded WhatsApp, and they have been messaging on it ever since.

The experience got Reich, now an assistant professor of strategy at Kellogg, thinking about how innovation spreads through societies. Are tight-knit groups — like her circle of friends at the restaurant — better or worse at spreading a new technology?

Reich modeled the adoption process, considering how a wide range of innovations — from fax machines to malaria nets — diffused through different types of communities.

What did she find? “Social structure really matters,” Reich says.

Sometimes tight-knit groups have an advantage; other times, they are actually at a disadvantage. The difference comes down to the type of technology being spread. Is it a “low threshold” technology that is valuable even without a large number of adopters,

such as computers or agricultural innovations, or is it “high threshold,” like a messaging app, which needs lots of adopters at once?

Reich found that societies, countries, communities and friend groups — collectively known as network structures — that are more individualistic and loosely connected are better at adopting low-threshold technologies.

But for higher-threshold technologies, more cohesive groups have the edge. Communication technologies such as WhatsApp, for example, require a critical mass of people to provide a benefit. In Mexico, which consists of highly cohesive communities, 78 percent of the population used instant messaging apps in 2013 compared with just 23 percent of the U.S. population, which is ranked as one of the most individualistic societies.

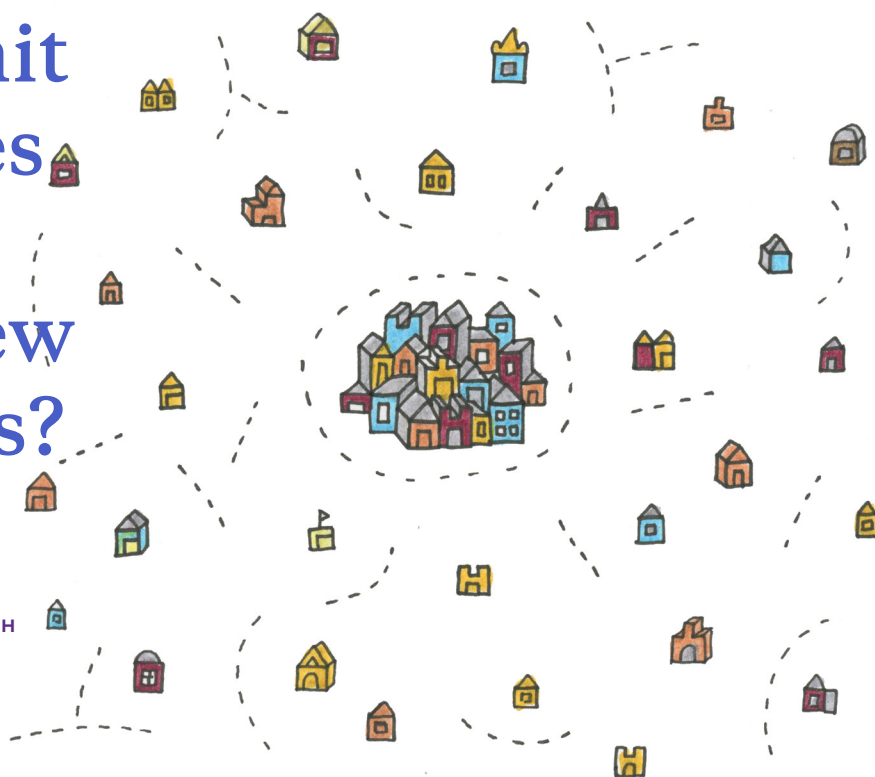
Reich’s model can help explain why a given innovation or product may spread more easily in some societies versus others. Though the fax machine was invented in the United States, for

instance, it did not catch on here until after it was embraced in Japan, one of the developed world’s most cohesive societies.

“The model gives us some sense of what’s going on,” says Reich.

Companies that want to break into a new market could benefit from this information, says Reich. They would know where a particular innovation is likely to succeed and what incentives could help tip the balance. For example, in the United Kingdom, cellphone companies that charged lower fees for calls between customers with the same carrier may have enticed groups to collectively adopt their technology. Family and friends phone plans work in a similar way, says Reich.

So instead of just considering how a technology spreads from one person to another, Reich says, “we can now say more about the bigger picture.” ♦



Big Data Reveals a Surprising Link Between Your Phone Calls and the Next Epidemic

Can big data about whom we call be used to predict how a viral epidemic will spread?

It seems unlikely. After all, viruses do not spread over a cell network; they need us to interact with people in person.

Yet, it turns out that the patterns in whom we call can be used to predict patterns in where we travel, according to new research from Kellogg's Dashun Wang. This in turn can shed light on how an epidemic would spread.

Both phone calls and physical travel are highly influenced by geography. The further away a shopping mall or post office is from our home, after all, the less likely we are to visit it. Similarly, our friends who live in the neighborhood are a lot likelier to hear from us frequently than our extended family in Alberta.

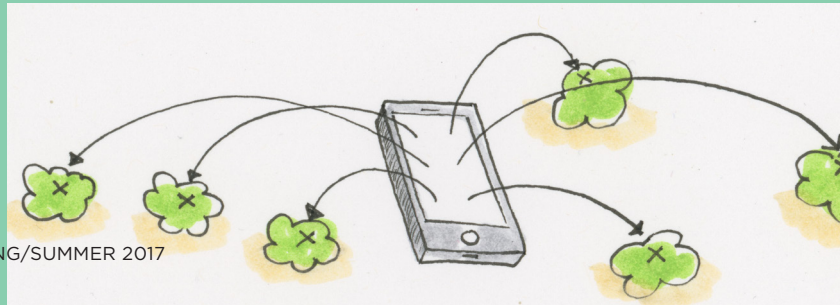
But Wang and colleagues were able to take this a step further. By analyzing a huge amount of data on where people travel and whom they call, they were able to determine the mathematical formula that illustrates the link between how distance impacts these two very different activities. This understanding provides a framework for using data about long-distance interactions to predict physical ones — and vice versa.

As humans, we don't like to think that someone could anticipate our actions, says Wang, an associate professor of management and organizations. But his evidence says otherwise. "It's just fascinating to see this kind of deep mathematical relationship in human behavior," he says.

Wang's conclusions were based on the analysis of three massive troves of cellphone data collected for billing purposes. The data, from three nations spanning two continents, included geographic information about where cellphone users traveled, as well as information about each phone call placed or received, and how far a user was from the person on the other end of the line.

The discovery of this underlying relationship between physical and nonphysical interactions has significant practical implications. For example, the researchers were able to model the spread of a hypothetical virus, which started in a few randomly selected people and then spread to others in the vicinity, using only the data about the flow of phone calls between various parties. Those predictions were remarkably similar to ones generated by actual information about where users traveled, and thus where they would be likely to spread or contract a disease.

"I think that's a great example to illustrate the opportunities brought about by big data," Wang says. "The paper represents a major step in our quantitative understanding of how geography governs the way in which we are connected. These insights can be particularly relevant in a business world that is becoming increasingly interconnected." ◉





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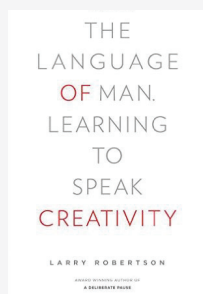
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The Language of Man: Learning to Speak Creativity



Typically, when people think about creativity, they tend to see the end results: the iPhone, *Moby-Dick*, molecular gastronomy. Instead, award-winning author Larry Robertson's new book asks readers to look at creativity in terms of what's possible — as the seed that sprouts innovation.

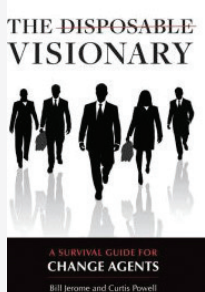
Interviewing more than 60 MacArthur Genius Grant recipients, Robertson has composed a powerful framework for those looking to create the next big thing and paired it with a conversant tone meant to inspire the reader into action.

BILL JEROME '80

The Disposable Visionary: A Survival Guide for Change Agents

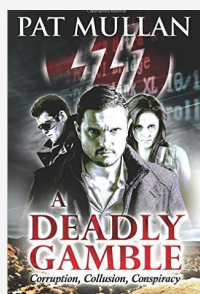
Most companies swear by their employees. But as Bill Jerome notes in his new book, companies often fire employees who buck the status quo, challenge management and eschew office politics and ego for problem-solving ideas.

Jerome, along with co-writer Curtis Powell, confronts the culture of protecting the status quo, sharing stories from several successful innovators who've been canned from companies known for their inventiveness and support, including Disney and Southwest Airlines.



PAT MULLAN '77

A Deadly Gamble



Following a 33-year career in banking, Mullan returned to his homeland of Ireland to do what he loved: writing thrillers. His latest novel, *A Deadly Gamble*, tells the story of Jim Sharkey, a failed Manhattan banker who falls into a lethal game of cat-and-mouse set in the world of the global banking system. Mullan fills his story with enough conspiracies, twists and double-crosses to keep you guessing as Sharkey travels the world seeking both redemption and vengeance.

KARSTEN DRATH (WHU-4)

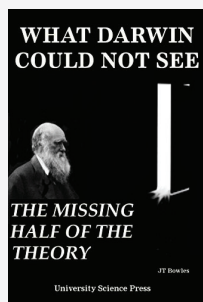
Resilient Leadership: Beyond Myths and Misunderstandings

In his first English-language book, Drath explores the bonds between leaders and teams and how to maintain and strengthen those connections, even through difficult times. Drath brings years of management experience to the book; He's an executive coach for the World Economic Forum and managing partner of Leadership Choice, a partner-led consultancy that focuses on EMBA cohort development.



JEFF BOWLES '84

What Darwin Could Not See — The Missing Half of the Theory

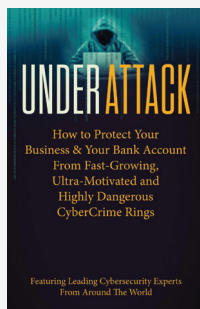


Forgive Jeff Bowles if this sounds grandiose and possibly delusional, but he assures that it's not. After nearly 30 years of independent study in biology, Bowles has published *What Darwin Could Not See — The Missing Half of the Theory*.

Written in an entertaining, easy-to-follow style for laypersons and scientists alike, the book explains how this new view of evolution leads to many unexpected solutions to evolution's remaining paradoxes, from how human hormones change with aging to the existence and purpose of sex.

AHSUN SALEEM (EMBA Cohort 88)

Under Attack: How to Protect Your Business & Your Bank Account from Fast-Growing, Ultra-Motivated and Highly Dangerous CyberCrime Rings



Saleem gathers experts in the fields of cybersecurity and business technology to address the ever-growing threat of cybercrime. A 15-year veteran of the field, Saleem and his team compile an extensive list of global information technology threats that businesses, governments and organizations face daily, along with ways to help stave off these assaults on your data.

LEADING *bravely* INTO A NEW ERA

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KELLOGG SCHOOL OF MANAGEMENT AT NORTHWESTERN UNIVERSITY