

FOSTER

MICHAEL G. FOSTER SCHOOL OF BUSINESS
UNIVERSITY OF WASHINGTON
2021

BUSINESS



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On the cover: MBA Fritzky Fellows prep for the return to campus at the historic Pocock Rowing Center. Paul Gibson photo.



BETTER TOGETHER, BETTER TOMORROW

At the Foster School of Business, we strive to be better together, better tomorrow.

The notion that we are “better together” has never been more evident than during this fall’s joyous return to campus. Over the past two extraordinary years, the Foster community has risen to the challenges of pandemic separation, leaning hard into collaborative technologies to continue learning, growing and connecting.

This experience has made our reunions on campus all the sweeter. It is so wonderful to once again feel our collective energy and enthusiasm—shining through every mask. Community is what *really* powers Foster.

The notion that we are “better tomorrow” is embodied in our goal to continually grow, to constantly strive to be better tomorrow than we are today, to foster insights and progress to better humanity through business.

Within this issue of *Foster Business*, you will find many exciting stories that personify our “better together, better tomorrow” philosophy:

Sally Jewell, our Fritzky Chair in Leadership, and new faculty member Charlie Donovan are collaborating with faculty, students and corporate partners to amplify the business imperative and boundless opportunities in addressing climate change.

Foster’s first two visiting Dean’s Impact Scholars are investing their expertise in our efforts to advance a culture of diversity, equity and inclusion. The Young Executives of Color pipeline keeps expanding access to higher education. And the Consulting and Business Development Center has forged some potent partnerships to accelerate its impact on the growth of businesses owned by people of color and other underrepresented entrepreneurs.

Speaking of entrepreneurs, the Buerk Center for Entrepreneurship celebrates 30 years of sparking student ventures, while the Foster-led Creative Destruction Lab-Seattle is just beginning to animate an industry around computational health.

Our partnership with UW Athletics has produced an innovative course addressing the issues around ever-changing NCAA rules that now allow student-athletes to profit from their name, image and likeness. Our four recipients of UW Awards of Excellence have been honored for extraordinary efforts on and off campus. Foster MBAs won their third-straight Golden Briefcase in the annual Challenge for Charity, logging more volunteer hours and raising more money for charity than any other west coast school. A passionate group of our grads is powering the coffee and chocolate industry.



And then there are the legacies of faculty “mega-influencers” Thaddeus Spratlen and Tom Lee, whose impact will be felt for generations. Thad and Tom set the paradigm for many others in the greater Foster community who bring our purpose statement to life in beautiful and impactful ways.

Together...

**We Foster Leaders
We Foster Insights
We Foster Progress
...To Better Humanity**

Sincerely,

A handwritten signature in blue ink that reads 'Frank Hodge'.

Frank Hodge
Orin & Janet Smith Dean
UW Foster School of Business

BLC XXIX

Business Leadership Celebration honors outstanding leaders, transcendent scholar



Lindsey Thiry, Frank Hodge, Indra Nooyi, Annie Young-Scrivner and Mary Knell at the 2021 Business Leadership Celebration.

After COVID-19 cancelled a 2020 gathering, the Foster School's 29th Business Leadership Celebration was just that—a true celebration of, well, *gathering*. In person (following public health protocols).

This year's event, hosted by **Lindsey Thiry** (BA 2005) of ESPN, was headlined by **Indra Nooyi**, the former CEO of PepsiCo and current director of Amazon who was named "Most Powerful Woman in Business" five times by *Fortune*.

Nooyi shared lessons on developing the seven characteristics of great leadership: vision, persistence, persuasion, listening, learning, collaborating and humility. Her own vision became PepsiCo's famed *Performance with Purpose*, an enterprise-wide mission to marry financial success with social responsibility that "wasn't about changing the way we spent money," she said, "it was about changing the way we *made* money."

Distinguished Leaders

Distinguished Leadership Awards were presented to **Mary Knell** (BA 1982), CEO of Pacific Northwest Commercial Banking at Wells Fargo & Co., and **Annie Young-Scrivner** (BA 1992), CEO of Wella Company.

Knell's career developed at JPMorgan and Bank of America/Seafirst before joining Wells Fargo, where she heads commercial banking across five states and western Canada. A leader in the region's Asian community, she is

past executive advisor to Wells Fargo's global Asian Connection Network.

Young-Scrivner became chief executive of Wella, the global beauty industry leader, after three years as CEO of Godiva Chocolatier, a variety of senior executive roles at Starbucks, and multiple leadership positions at PepsiCo. She serves on the board of directors of Tiffany & Co. and Yum! Brands.

Scholar of the Century



A special Scholar of the Century Award honored Nobel laureate **William F. Sharpe**.

While on the Foster School's finance faculty from 1961 to 1968, Sharpe developed the Capital Asset Pricing Model for calculating the relationship between risk and return. This model, which has proved foundational to modern investing, earned him a share of the 1990 Nobel Prize in Economics. Sharpe returned to his native California in 1969 and has been at Stanford ever since, founding the retirement investment firm Financial Engines on the side.

BUSINESS COMMUNITY

Foster's success is powered by invaluable corporate and individual partnerships, many of which were on display at the Business Leadership Celebration.

Opportunity Sponsors –

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*Amazon and RSM US LLP are also DEI Partners, furthering the Foster School's efforts to advance a culture of diversity, equity and inclusion by connecting students to a diversity of leaders and role models.

Each BLC attendee received a copy of Indra Nooyi's autobiography courtesy of the Young-Scrivner Foundation.

Net proceeds from the Business Leadership Celebration will help foster leaders at the University of Washington. If you are considering a year-end gift, please visit foster.uw.edu/give.

YEOC TURNS 15

Young Executives of Color pipeline program opens more and more doors

Young Executives of Color (YEOC) is nearly as old as the students it serves. Founded in 2006, the Foster School's nine-month pipeline program provides high school students from underrepresented communities with life-changing introductions to business careers, professional development, college preparation and mentoring.

Over the past 15 years, more than 160 mentors and 1,300 students have graduated from YEOC—at a 99% college-enrollment rate (the lion's share attending the UW and Foster). Of this year's cohort of 190 students, hailing from 70 different high schools as far away as Yakima, 78 percent will be the first generation of their families to achieve higher education.

"YEOC is a transformative thing," says program manager Damariz Ibáñez. "It is a vital center and needed space for BIPOC students. But I would love to see YEOC transcend being needed as a facet of DEI commitments, because it's a great community that everyone should look to be a part of. We've created such a model in this program that I can envision it becoming a replicable approach for other schools, businesses and institutions."

Toward achieving greater diversity, equity and inclusion in our institutions and organizations, she adds: "The momentum of this past year can take us further. It's easy to talk the talk, but walking the walk takes real engagement, and real care. To just create a space for students in underserved communities is to carve out a better path. I'm excited for Foster and our partners to continue down that path."



To keep up with the full calendar of Foster School events, online and in-person, visit:

foster.uw.edu/foster-alumni/



READY FOR RELAUNCH

Foster restarts Business Management Certificate

This winter, Foster's Executive Education expands a popular course into a program. The Business Management Certificate Program is an accelerated work-compatible program that curates key business skills—marketing, strategy, finance, accounting, people management, communication—and the most applicable leadership skills. The program concludes with a complex capstone case competition project.

"Now more than ever, it is critical for managers to demonstrate the skills needed to effectively adapt to the changing environment," says academic director Leta Beard. "This course provides the tools that are needed to address some of these challenges as well as identify new opportunities."

Learn more at foster.uw.edu/executive-edu/.

ONE TO WATCH

Poets & Quants, the influential business school news site, declared Foster one of its “10 Undergraduate Business Schools to Watch in 2021.” Now approaching the end of that year, here are some other high marks in Foster’s current national rankings:

MS in Taxation – #1 in Accounting.com

MS in Entrepreneurship – #3 (#2 public) in *MIM-Guide*

Hybrid MBA – #4 (#2 public) in *Poets & Quants*

Master of Supply Chain Management – #5 (#3 public) in QS World University Rankings

MS in Business Analytics – #5 (#3 public) in QS World University Rankings

MS in Information Systems – #5 (#3 public) in Eduniversal Rankings

MPAcc – #6 in *Public Accounting Review*

Executive MBA – #9 (#4 public) in *Financial Times*

Evening MBA – #10 (#6 public) in *Fortune*

Full-Time MBA – #15 (#4 public) in *Financial Times*

Undergraduate Programs – #19 (#9 public) in *U.S. News & World Report*

CONTINUOUS LEARNING, ONLINE

When in-person was out, the Foster School produced a full slate of informative webinars, podcasts and online workshops on practical topics for alumni and friends, including:

Frank Discussions – Dean Hodge in conversation with authentic leaders, including Brad Tilden (MBA 1997) of Alaska Airlines, Ken Denman (MBA 1986) of Sway Partners, Jenna Johnson (MBA 2010) of Patagonia and Josh Rodriguez (MBA 2017) of Goldman Sachs.

Foster Lunch & Learns – insights from Foster faculty on the hybrid workplace, machine learning (Thomas Gilbert), cultivating an idea culture (Crystal Farh) and a growth mindset (Dan Turner), earnings and cash flow (Lance Young), and the economics of COVID-19 (Shailendra Jain).

State of the Economy Forum – Foster experts—Chris Mefford (MBA 2002) and professors Debra Glassman, Thomas Gilbert and Ed Rice—forecast the future.

Recovery & Reconstruction Workshops – Consulting and Business Development Center and Foster faculty offer resources for small businesses to weather any economic shock.

Digital Transformation Strategies Seminars – CBDC offers more tips for small businesses on remote customer service, supply chain, distribution and sales, managing telework.

Seattle Growth Podcast – hosted by Professor Jeff Shulman.



Foster the Product – interview series from The Product Management Center.

How to Succeed in Product Management – podcast hosted by Jeff Shulman of The Product Management Center.

Supply Chain Disruptions – online panel unpacking a global crisis, from the Global Business Center and Master of Supply Chain Management Program.

Global Business series – GBC presents expert panels on the future of global travel, doing business in Africa, and perspectives from South Africa on racial justice.

Conversations on Careers and Professional Lives – podcast hosted by Gregory Heller of MBA Career Management.

Learn more at blog.foster.uw.edu. Find upcoming events at foster.uw.edu/foster-alumni.

FOUNDERS HALL FAST FACTS

The grand opening of Founders Hall is coming in June of 2022. As construction enters its final stage on the Foster School's new \$76 million facility, here are a few salient facts and figures:

Twice the size of its predecessor, Mackenzie Hall, with 84,771 square feet of usable space.

The first building on campus constructed of cross-laminated timber (CLT), a renewable composite hardwood with excellent structural strength, rigidity, stability and durability.

One of the greenest buildings on campus, designed to achieve a 76% reduction in cumulative carbon and a 79% reduction in energy use intensity over the first 60 years of its life.

A hub for student activity, with two 135-seat turn-to-team classrooms, student commons and lounges, an innovation lab, center headquarters, team rooms, interview rooms, an event forum and a rooftop terrace.

A showcase for original art by local Indigenous artists, reflective of the Northwest Coast and Coast Salish styles.

Five team rooms will honor UW business graduates who have served in each branch of the US Military.

The restored "Fountain of Reflection" by George Tsutakawa, will be reinstalled in its outdoor plaza.

Home to the Thaddeus Spratlen Lounge for Inclusion and Diversity, and the Office of Minority Affairs.

Funded entirely by private gifts led by a consortium of leadership donors—the "founders" of Founders Hall.

CREATIVE DESTRUCTION @ FOSTER

New Foster-led initiative to accelerate the evolution of computing in human health

This fall, Foster got destructive. Creatively destructive.

Creative Destruction Lab, an international nonprofit organization accelerating the growth of seed-stage science and tech companies that are massively scalable, has launched its third US location in Seattle.

CDL-Seattle, based at the Foster School, is a partnership with the UW College of Engineering, Paul G. Allen School of Computer Science & Engineering and CoMotion, the UW's hub for collaborative innovation.

The initial focus of CDL-Seattle is computational health—the rise of machine learning and AI applications for enhancing human health.

“Think of computational health as a powerful tool in unraveling a complex, big-data puzzle,” says CLD-Seattle lead Emer Dooley, a teaching professor of entrepreneurship and Charlene M. and Arthur W. Buerk Endowed Faculty Fellow at Foster. “Whether it’s mapping the immune system, mining population health data to address inequity, or helping optimize individuals’ health care, AI and machine learning are essential tools. Washington state has incredible cloud computing, AI and machine learning expertise and a vibrant biotech sector. We need to bring the two closer together.”

To that end, in November CDL-Seattle enrolled its charter cohort of 20 computational health startups in a unique form of accelerator. Each founding team receives mentoring from world-class scientists, engineers, economists and experienced

tech entrepreneurs—with no requirement to cede equity in return. They will be afforded opportunities to raise capital, guidance to meet milestones, and business development support from Foster students.

CDL-Seattle is a product of the UW Innovation Roundtable and powered by numerous founding partners, including veteran investors Artie Buerk (BA 1958) of Buerk Dale Victor, Neal Dempsey (BA 1964) of Bay Partners, Bill McAleer of Voyager Capital, Rob Short of Microsoft, Steve Singh of Madrona Venture Group and Arnie Prentice of Kibble & Prentice. Microsoft, Washington Research Foundation and The Foster Foundation are corporate partners. And Ray Muzyka, Leona De Boer and John Harris are founding partners of CDL-Global.

This lineup has given the initiative instant momentum, which is the name of the game.

Says CoMotion director François Baneyx: “CDL-Seattle is the missing link in the UW innovation ecosystem and our region.”



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magazine



COMPETITION TESTED

Foster student teams shine at case competitions all over the virtual map

Undergrads

1st place – Boeing Northwest Business Case Competition, mitigating a large-scale disruption to Boeing's regional supply chain in East Asia after a Japanese volcanic eruption.

1st place – Salesforce National Conversation Design Chatbot Competition, creating the Husky Helper, designed to assist students and parents with the back-to-campus transition.

1st place – National Women's Business Case Competition, formulating a comprehensive marketing and supply chain strategy for a new Apple product.

1st place – SDSU International Case Competition, advising a PPE safety footwear maker on a more sustainable business model.

2nd place – National Diversity Case Competition, designing a 3M scaffolding program introducing diverse, low-income K-12 students to STEM curriculum, experiences and professional mentors.

Finalist – Carolina Case Challenge, strategizing a plan for the Biltmore Winery to enter the spirits market.

MBAs

1st place – She Counts Finance Case Competition, proposing how to market AT&T's 5G network to Millennials and Gen-Zs.



The winning team of Foster undergrads at the SDSU International Case Competition, held *in person* in sunny San Diego this fall.

1st place – Ace the Case Global Business Challenge, formulating a strategy to help a Mexican 3D printing company recover revenue lost during the COVID-19 pandemic.

1st place – MBA Challenge For Charity (C4C), raising more money and logging more volunteer hours for nonprofits than all other west coast b-schools.

Entrepreneur's Choice Award – Venture Capital Investment Competition (VCIC) Mountain regional finals.



WANT MORE FOSTER BUSINESS?

Check out the new Foster Business online magazine site. More stories, more photos, updated regularly.

foster.uw.edu/magazine

PRODUCT INNOVATION

Foster's new Product Management Center hits the ground running

Last fall, the Foster School launched The Product Management Center, dedicated to empowering diverse product leaders to drive success developing innovations that are inclusive to diverse audiences.

The center brings together multidisciplinary faculty of the Foster School and the UW's Information School and Department of Human Centered Design & Engineering, and connects them with industry leaders in an effort to enrich the lives of diverse PMs, empower PMs to enrich the lives of diverse audiences, provide a trusted source of diverse PM talent and drive thought leadership.

In its first year, The Product Management Center hosted the inaugural Inclusive Product Management Summit and the Foster the Product speaker series. It produced the How to Succeed in Product Management podcast, hosted by the center's founding director Jeff Shulman, the Marion B. Ingersoll Professor of Marketing and creator of the award-winning Seattle Growth Podcast.

New this fall is the Inclusive Product Management Accelerator, the center's targeted effort to expand access to economic opportunity by bringing more diverse voices to the PM community.

VIRTUAL PITCHFEST

Buerk Center entrepreneurship competitions roll online

Year two of a global pandemic couldn't dampen the enterprising spirit—or diminish the quality of ventures and presentations—across a veritable spring fling of online startup competitions hosted, as ever, by the Buerk Center for Entrepreneurship.

A record \$90,000 was awarded to student teams in the **Dempsey Startup Competition**, which crowned Afterlife Listings its champion. The collaboration of UW biochemistry, communications and informatics undergrads won the \$25,000 Herbert B. Jones Foundation grand prize for its online marketplace for funeral planning, burial plot transactions and financing.

The \$15,000 BECU second place prize was awarded to Puget Buoy, a team of mechanical engineering and business students from Olympic College and the Foster School who are developing secure fishing gear designed to prevent whale entanglements. The \$10,000 WRF Capital third place prize went to Ananta, a team of chemical engineering students from WSU developing a bioreactor that can rapidly expand T cells for use in cancer immunotherapy. And the \$7,500 Friends of the Dempsey Startup fourth place prize went to HealthXpress, a network of mobile health clinics in remote regions of the world developed by students in the Foster School's MS in Entrepreneurship Program.



At the **Alaska Airlines Environmental Innovation Challenge**, the \$15,000 Alaska Airlines grand prize went to Dempsey Startup runner-up Puget Buoy.

GreenLoop, a team of UW business, biology and computer science students developing a sustainable and biodegradable plastic, won the \$10,000 Herbert B. Jones Foundation second place prize. Scrapless, a platform connecting eco-minded

consumers with local food producers to distribute surplus food that was developed by applied science, arts and commerce students at the University of British Columbia, took the \$5,000 Starbucks third place prize.

The **Hollomon Health Innovation Challenge** awarded its \$15,000 WRF Capital grand prize to Sound Sustainability, led by a hearing-impaired military veteran in Foster's MS Entrepreneurship Program who has developed a high-quality yet affordable hearing aid.

The \$10,000 Herbert B. Jones Foundation second place prize was awarded to Nascent Diagnostics, a team of UW materials science and engineering students developing a biosensor array capable of improving the diagnosis and monitoring of various diseases. The \$5,000 Fenwick & West third place prize went to Under Pressure, a team of UW chemical, electrical and mechanical engineering students developing a non-invasive blood pressure monitor for the operating room.

ASCENDING TO \$1 BILLION

Big year accelerates impact of Foster's Consulting and Business Development Center



For more than 25 years, the Consulting and Business Development Center (CBDC) has accelerated the growth of small businesses owned by people of color, women, veterans and the LGBTQ+ community. This year, a series of momentous events accelerated the growth of its impact.

Foremost was the announcement in May that JPMorgan Chase would make an additional \$8 million philanthropic investment in **expanding the nationwide Ascend network**, developed in partnership with the Foster center.

This investment will animate the center's ambitious three-year effort to grow 500 businesses owned by people of color into multi-million-dollar firms that build wealth.

Ascend is built upon the CBDC-developed M³ Model, which forges local partnerships to improve management skills, increase access to money and grow market connections for entrepreneurs of color in 15 cities across the country. Early results show Ascend partner businesses achieving economic growth rates of 4x-11x and job growth rates of 8x-20x the national averages.



Still acting locally

Locally, the CBDC has teamed up with The Commerce Bank of Washington to lend \$1 million to business owned by people of color. Through the **Foster Ignition Fund**, teams of Foster MBAs, guided by faculty and industry experts, will analyze the financing needs of 75+ businesses that participate in the center's programs each year.

The CBDC also launched a partnership with the Black Future Co-op Fund and Bank of America to **build generational sustainability** among Black-led businesses and nonprofits across Washington state by providing customized technical assistance, leadership development training, financial management guidance and help accessing funding.

A gift from Joanne and Bruce Harrell has created an **endowment for CBDC student engagement**. The philanthropy of Joanne (BA 1976, MBA 1979), a UW Regent and senior director at Microsoft, and Bruce (BS 1980, JD 1984), the mayor-elect of Seattle, will support the work of center staff, faculty and students to provide emerging businesses from diverse communities with access to skills, tools and knowledge that facilitates economic success, job creation and wealth.

The CBDC also received a **community impact grant** from the Seattle Mariners Care Foundation to provide scholarships for the BIPOC owners of five local hospitality or construction businesses to enroll in the center's Minority Business Executive Program, a foundational program of Ascend Seattle.



EXPANDING CREDENTIALS

Foster School begins offering business minor, business badge

Only a select number of students earn entrance to the Foster School's degree programs each year. But so many more at the UW eventually work in business.

To equip them, the Foster School is offering new ways to build a business acumen.

The **Business Minor** is open to all non-business majors, intended to offer broader inclusion and accessibility to students around the UW—from classics to pharmacology, from human centered design to law, societies and justice.

The six-course minor program offers the opportunity to construct a set of fundamental business skills through courses in finance, accounting, management, marketing, sales and information systems, plus more than a dozen electives to accommodate individual career interests.

Short of the minor, Foster also now offers a **Business for Life** digital badge. The badge is a suite of verifiable micro-credentials that can be displayed on social media such as LinkedIn and used in digital portfolios and resumes. Earning the Business for Life badge requires completing introductory finance and accounting courses, plus two additional from the Business Minor core.

The curriculum for these programs was developed by Foster faculty and is offered in partnership with BECU.

RUNNING THE WAVE

Foster's new chief advancement officer arrives at the right time with the right perspective

For Tahsin Alam, the Foster School's new associate dean for advancement, an impactful career in higher education has been shaped as much by obligation as opportunity.

He knows, quite personally, the power of private support.

Alam was born in Bangladesh to a family educated beyond its means at some of the world's finest universities—made possible by scholarships. His mother's modest salary as a physics professor was no match for the astronomical cost of higher ed in the United States.

"I came to the US for college on a full scholarship," Alam says. "There was just no other way."

It unlocked a life-changing education at Bates College in Maine. There, his aspiration to pursue a law career took a hard turn early in his freshman year, when he was elected student representative on the search committee for a new college president, working alongside a dedicated consulting firm: "I thought, did we just hire consultants whose only job is to find leaders for colleges and universities? *That's* what I want to do."

Making opportunities

After graduating with a BA in economics, politics and theater, Alam landed a job at Isaacson, Miller, a leading executive search firm with a higher ed practice. "It was pure serendipity," he says, "followed by a lot of investment in chasing that opportunity."

Over the next decade, Alam became expert at identifying and developing the people, cultures and organizations that excel at university advancement.

He joined the Rutgers University Foundation in 2015 as its first head of talent management. But his purview expanded rapidly. Before joining Foster this summer, he served as vice president of advancement solutions and talent management, leading the team overseeing Rutgers' \$2 billion campaign, managing the Rutgers Foundation board, co-leading the Human Capital and Diversity Committee of the board, and all organizational growth initiatives.

Adventurous avocations

If Alam's career could be graphed as a continuous climbing curve, his many fascinating side pursuits are more of a scatter plot. He *does* like to challenge himself.

That explains his penchant for skydiving and sailboat racing, for instance. He used to race motorcycles, too.

When he wished to cook like a professional, he convinced an up-and-coming chef to take him on as an unpaid weekend apprentice at her fine dining restaurant in Philadelphia.



After two years mastering the culinary arts—but wracked by the unhealthy lifestyle of kitchen work—Alam quit cold turkey and dedicated himself to becoming an Ironman triathlete, a goal he achieved at Lake Placid in 2012. He also turned to yoga to rehabilitate mind and body, eventually becoming an instructor and co-founding a casual open-air "studio" to restore the Philly masses pent up by COVID-19.

The Franklin effect

Given his eclectic interests, serial passions and time spent in the cradle of American liberty, it may come as little surprise that Alam's favorite figure from history is Benjamin Franklin, the most adventurously curious of Founding Fathers: "He's the inspiration for anything and everything in my life."

Beyond their kindred inquisitiveness and élan for new experiences, Alam admires the way that Franklin operated: in the background of history. "He personified the power and importance of *running* the spotlight," he says, "rather than being in it himself."

For his part, Alam plans to shine a brighter light on the Foster School, which he finds poised for greatness. He's determined to catalyze an innovative advancement team that sets the industry standard in promoting inclusion and creating opportunity—virtues that have transformed his own family.

"When I think about Foster, it's as a wave that is just about to crest," he says. "That's right where I like to be."



Climate Change is Everyone's Business

*New faculty experts Sally Jewell and Charlie Donovan
view addressing climate change as a business imperative
and boundless opportunity*

by ED KROMER



Sally Jewell



Charlie Donovan

Rarely, if ever, has anyone come to the Foster School of Business with a greater sense of purpose and urgency than Sally Jewell and Charlie Donovan have this fall.

That purpose and urgency may be heightened by the year of their arrival. Across the globe, 2021 was beset by historic heat, drought, storm, fire and flood—harbingers of increasing climate shocks predicted to come from a rapidly warming planet. It also may prove to be a tipping point of global awareness and awakening to the need for viable, innovative solutions.

"It is absolutely critical that our world take action right now. If we remain complacent or paralyzed, there will be a lot of human suffering," says Jewell, the former CEO of REI and US Secretary of the Interior. "But we also know from the current science that we can do something about it. We're not past the point of no return. As the world's leading economy and educator, we're in a unique place to have an outsized impact."

This pressing opportunity is what drew Jewell to serve as this year's Edward V. Fritzky Chair in Leadership at Foster. And it convinced Donovan, the founding executive director of the Centre for Climate Finance and Investment at Imperial College London, to accept an extended visiting professorship and develop a similar initiative at Foster—to equip leaders and businesses in this hotbed of innovation to transform the economy.

"We're on the cusp of a great industrial transformation," says Donovan. "Government policies combined with huge advances in technology provide opportunities to benefit from a post-carbon economy. The Pacific Northwest is primed to lead the way."

The forever business

Jewell grew up in Seattle, her playground the surrounding forests, mountains and waters.

She studied engineering at the UW and began her career in the oil and gas industry. A stint in rural Oklahoma mining lands opened her eyes to the fragility of the world's natural ecosystems.

As she migrated to commercial banking for nearly two decades, Jewell's environmental ethic moved her to volunteer with organizations such as the Mountains to Sound Greenway. These parallel paths led her to the board of REI, the Seattle-based retailer of outdoor apparel and gear. She became COO and ultimately CEO from 2005 to 2013, tripling sales by leading intelligent growth in unmet markets—all the while reinforcing REI's green ethic.

In appointing Jewell Secretary of the Interior in 2013, President Barack Obama noted her preternatural ability to balance the interests of the environment and the economy.

"Early in my tenure, it dawned on me that we were in the 'forever' business," she says. "We were making decisions that aren't just affecting people today but for generations to come."

The same could be said for every business today.

Capital solutions

Donovan also grew up in Seattle and studied (psychology) at the UW. His career path detoured irreversibly when he talked his way into a graduate course on natural resource economics.

"That class blew my mind," he says, "and launched the next 25 years."

Donovan started out as a policy analyst at the US Environmental Protection Agency, then spent a decade as a finance executive in the energy industry.

He co-founded a cleantech startup before earning his doctorate at IE Business School and then joining Imperial College London.

While leading its Centre for Climate Finance and Investment, he catalyzed an interdisciplinary initiative to unlock solutions within capital markets to address the challenges of climate change—focusing on the investment opportunity in renewable energy, clean technologies and climate-resilient infrastructure.

Experts to task

In an effort to further engage students, faculty and business partners of the Foster School in creating innovative solutions, Dean Frank Hodge recruited Donovan for his globally recognized expertise in climate risk and sustainable finance, and Jewell for her deep insights into building coalitions and finding common ground among the diverse stakeholders of the environment (which is to say, everybody).

“Nobody wakes up in the morning and says: ‘I don’t want safe drinking water and clean air, I want to ruin the planet for my children,’ ” says Jewell. “Nobody.”

Though there are still some left to convince, most people now accept the overwhelming consensus of scientific evidence: carbon dioxide emitted from our burning of fossil fuels is altering the earth’s climate, and not for the better.

But accepting reality and doing something about it are different things entirely.

Tragedy of the horizons

Donovan says that climate change is a “tragedy of the horizons,” a concept coined by former Bank of England Governor Mark Carney to explain why businesses have trouble acting on future threats.

It’s not surprising, really, when you consider that most people live largely in the present, businesses focus on the next quarter, and governments obsess on the next election. This endemic myopia leaves us unprepared for a looming paradigm shift.

“There’s a deep disconnect between this force that will shape all of our lives in the years ahead and the decisions we are making now,” Donovan says. “No organization on the planet can fully internalize it. From consumers to companies to governments, it’s hard to deal with future consequences today.”

Assessing risk

We need some help getting there.

Obviously, it will be necessary to develop more sophisticated methods to quantify the risk of doing business-as-usual in a warming world.

But Jewell suggests that reframing the risk is equally important. Instead of only warning against global cataclysm, we can view climate change through a local, human lens. We can emphasize the upside of action, selling the benefits of healthy ecosystems, resilient forests, robust infrastructure, dependable supply chains, clean air and water.

This was the winning strategy employed by Jewell’s late friend and mentor, William Ruckelshaus, to push through the Clean Air Act and many landmark protections while directing the Environmental Protection Agency during the Nixon and Reagan administrations. “All of that was motivated by a concern for public health,” she says.

Human and ecosystem health “are what we’ve thought of as co-benefits of solving the climate crisis,” Donovan adds. “We need to start thinking of them as *the* benefits, because that’s what resonates with most people.”

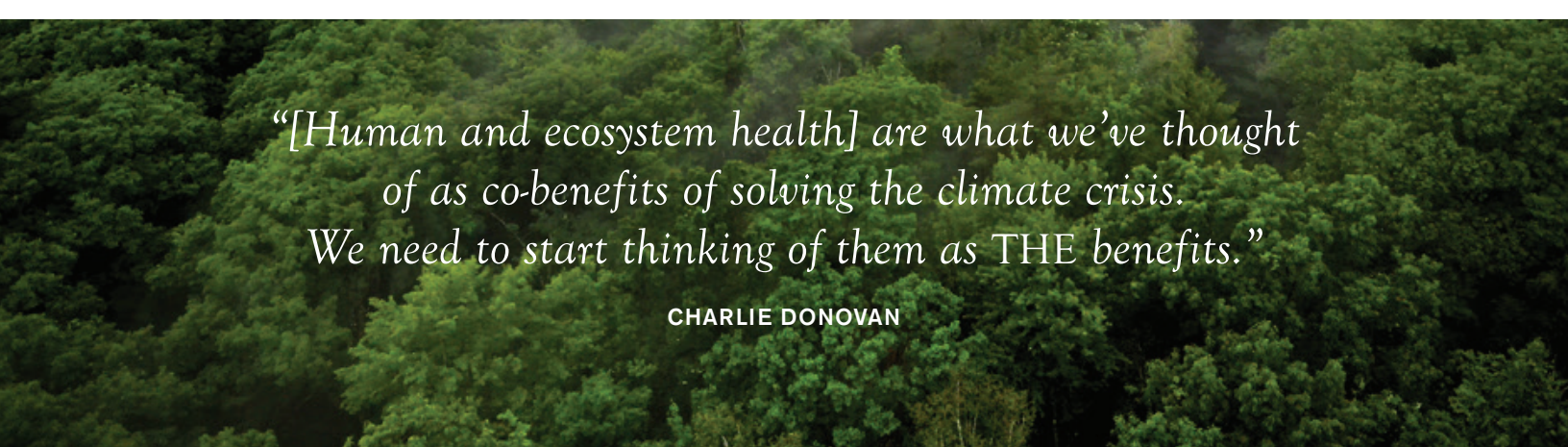
Threat, opportunity

Competition is also a big motivator. Developing green energy and clean technologies has become an issue of national security—or at least economic independence. Take the whipsaw of oil prices over the past years. “There’s a real cost to that volatility,” says Donovan. “A renewable energy economy could help relieve our exposure to the ups and downs of the fossil fuel industry.”

It’s why Denmark became a pioneer in the development of wind energy. “They believed that, over time, this strategy would become an economic advantage, and that they would emerge as leaders in an emerging industry,” Jewell says. “And they are.”

But not *the* leader. That distinction goes to China, which has muscled its way to the forefront of solar, wind and lithium-ion batteries. The motivation is similar to Denmark’s, but the scale is altogether different. “China is putting massive investment into these technologies,” says Jewell, “and undermining the ability of other countries and businesses to compete.”

The truth is that renewable energy and clean tech are still in their infancy. “It seems that nothing changes, until suddenly, one day, it does,” Donovan adds. “We’re all waking up to this global race for supremacy in a clean energy economy. It’s a process of creative destruction.



“[Human and ecosystem health] are what we’ve thought of as co-benefits of solving the climate crisis. We need to start thinking of them as THE benefits.”

CHARLIE DONOVAN

“There’s a proverb that says: we don’t inherit the earth from our ancestors, we borrow it from our children. And we are in a serious deficit.”

SALLY JEWELL

“Winners are starting to emerge, and investors are migrating to them. The companies figuring this out earlier than the others are doing better.”

Sticks and carrots

In time, all businesses will face the reality of new regulations imposed on every industry. And, eventually, a global carbon market, which Donovan believes is as inevitable as it seems impossible in today’s political climate.

“We know the cost of climate change is going to be borne by all of us, so we’ve got to put that back into the factors of production. You will have to pay to pollute,” Donovan says. “It’s a simple premise, though not so simple to implement.”

Those are sticks. But there also will be carrots.

In many situations, incentives could be most effective, especially when applied in concert with regulations.

“As Bill Ruckelshaus demonstrated years ago, if you create regulations that set standards and then reward businesses that get there while penalizing those who don’t,” Jewell says, “you’re incentivizing innovation and aligning the interests of the environment with the interests of the economy.”

Finance first

The financial markets are already revealing evidence that the global economy is tilting toward a sustainable future. “Most traders have a myopic view,” Donovan says. “But institutional investors—like those working for pension funds—need to think about strategic asset allocation over the long term. And that’s where we’re seeing incontrovertible proof that renewable power is starting to be valued relative to oil and gas.

“It has made a number of stakeholders say, ‘I don’t even have to believe in global warming. I’m seeing that value shifts are occurring.’”

In case they need further proof, among the agreements forged at this year’s United Nations Climate Change Conference, an eye-catching coalition of banks, investors and insurers pledged to reach net-zero emissions across its \$130 trillion portfolio by 2050.

“We are beginning to see companies take action,” Jewell says, “whether they’re motivated by consumers, shareholders or morals.”

What can Foster do?

Jewell and Donovan believe that business schools need to show more leadership. “Schools are behind where students want to be,” says Jewell, “and behind being able to provide the guidance and advice to businesses on what’s emerging.”

That is why they’ve brought their expertise to Foster: First, to reinforce the work of faculty colleague Elizabeth Stearns and others to help students grasp the gravity of climatic forces

shaping the future and equip them to add value with innovative solutions. Second, to spark new industry around green energy and clean tech in a region long known for innovation, in partnership with UW leaders like EarthLab, the Clean Energy Institute and the Buerk Center for Entrepreneurship. And third, to develop a sophisticated means of assessing risk and reward for investing in green technologies and durable infrastructure.

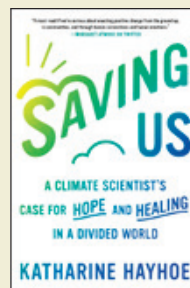
The thrust of this initiative will come from Donovan’s vision of a climate finance center that connects data science, technology management and finance.

“We’re trying to bring these three disciplines together in a way that will improve our ability to make informed investment decisions,” he says. “Addressing climate change effectively is not a hopeless effort, but it does require an integration of ways of thinking and approaches that are not commonly done together.”

“You have to be optimistic,” Jewell adds. “We are blessed with the brains we have been given, and we better use them. Everybody needs to play a role.”

Sooner rather than later. Or better yet, now. ■

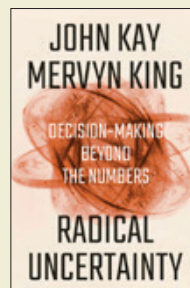
GOOD READS



Saving Us: A Climate Scientist's Case for Hope and Healing in a Divided World, by Katharine Hayhoe

“The chief scientist at The Nature Conservancy—who’s also an evangelical Christian living in Texas—talks about connecting on climate with folks to whom words like ‘environmentalism’ and ‘global warming’ are anathema.”

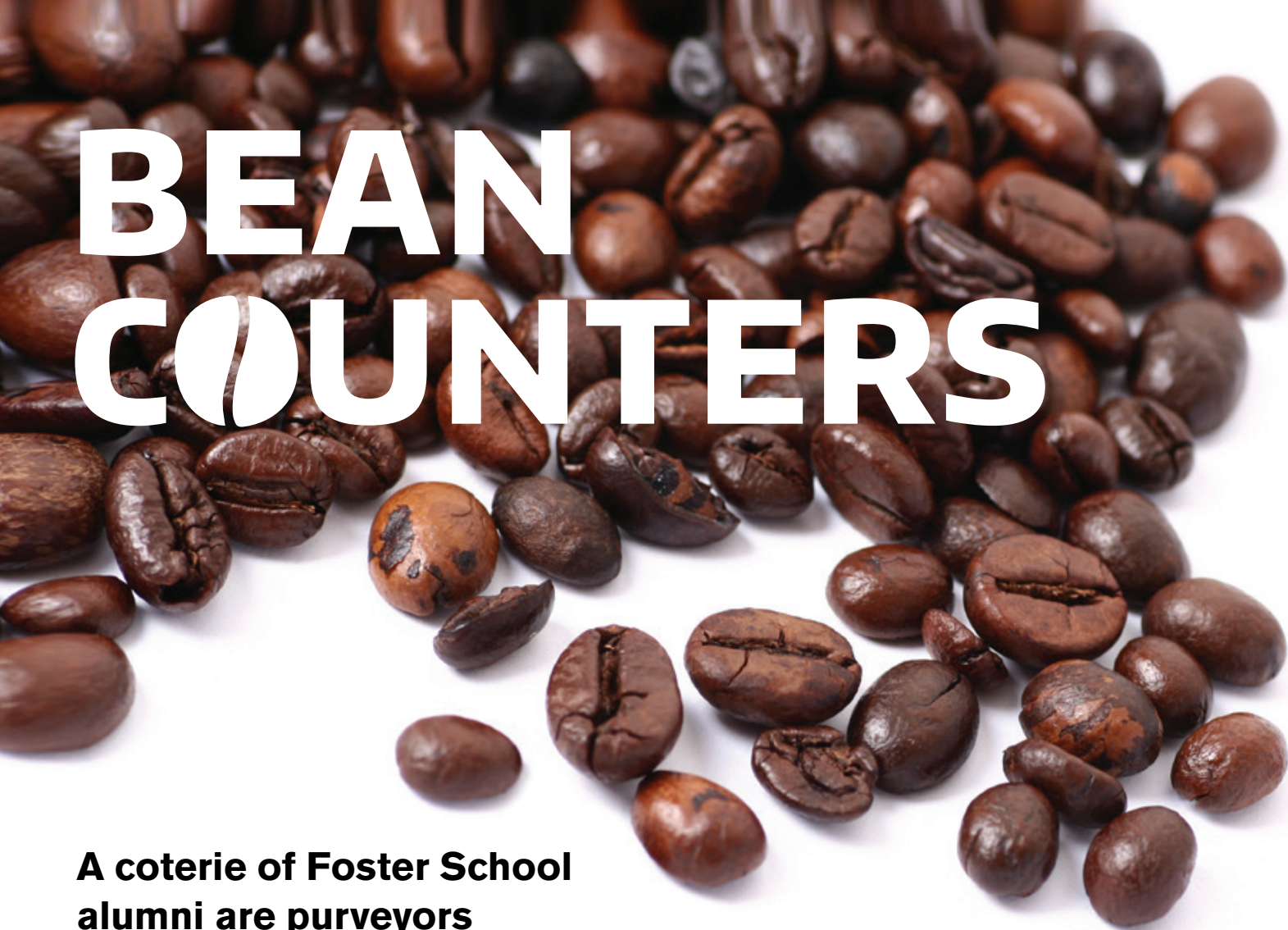
– Sally Jewell



Radical Uncertainty: Decision-Making Beyond the Numbers, by John Kay and Mervyn King

“For those interested in how really complex challenges—such as climate change—get solved.”

– Charlie Donovan



A coterie of Foster School alumni are purveyors of fine coffee and chocolate

by KRISTIN ANDERSON and ED KROMER

Coffee and chocolate. Chocolate and coffee. Oh, how we love them so! The way they look. The way they smell. The way they taste on the tongue. The way they fortify those who seek comfort or creativity, especially in a place like Seattle that is renowned for grey skies and curious minds.

Why have so many alumni of the Foster School of Business followed their hearts—and noses—to the bean-based industries of coffee and chocolate? We can only speculate. What we *do* know is that the producers propelled by these exacting epicureans range from micro-roasters and boutique chocolatiers to celebrity darlings and global powerhouses.

Here is a tasting menu of companies powered by Foster grads who have, in their way, mastered the art and science of coffee or chocolate—or, in a few cases, both.



STARBUCKS COFFEE COMPANY

Countless alumni

Legions of Foster alumni have powered Starbucks, the hometown coffee company that has grown into one of the world's greatest brands for its ethical sourcing, pro-social policies, high-quality product, and communal "third place" experience that created an industry. A prime mover of that industry was the late Orin Smith (BA 1965), who led Starbucks as president and CEO during its period of steepest ascent in the early 2000s. He's also the namesake of Orin's Place in PACCAR Hall, which has sustained the Foster community with Starbucks coffee since 2010.

JOE CHOCOLATE CO.

Peter Keckemet and Sam Tanner,
Co-Founders

Talk about a perfect blend: coffee *and* chocolate. Sam Tanner (BA 2016) and Peter Keckemet (BA 2016) dreamed up Joe Chocolate out of their desire to create a consumable aimed at college students for Foster's Creating a Company class. Experiments began with caffeinated oatmeal and ended with their chocolate/coffee hybrid. After graduation, Tanner and Keckemet perfected their caffeinated chocolate and built a full-fledged business, with vigorous wholesale and online sales and a spiffy new storefront in Pike Place Market—where they sell cups of "Joe" alongside their "bits of buzz."



SEATTLE STRONG COFFEE CO.

Evan Oeflein, Emileigh Thylin, Brian Wipfler,
Co-Founders

Seattle Strong started as a project in Foster's Creating a Company class. Evan Oeflein (BA 2018), Emileigh Thylin (BA 2018) and Brian Wipfler (BA 2018) had zero prior experience in the coffee industry, but were intrigued by the growing popularity of cold brew coffee. With positive feedback on their nitrogen-infused product and an invaluable boost from the Buerk Center for Entrepreneurship, they took Seattle Strong to market in 2018. Three flavors of Seattle Strong—each creamy, frothy, smooth and fragrant—are now available at grocery stores around Seattle, with plans to expand.



INDI CHOCOLATE

Erin Andrews, Founder

Erin Andrews (Ascend Seattle 2020) likes to call indi “the most backwards chocolate company ever, since we didn’t start with making chocolate.” The

one-time finance executive started making cocoa butter lotion and lip balm after her daughter—Indi—had a bad reaction to conventional body care products. She eventually expanded into chocolate, sourcing the highest-quality beans directly from farmers around the world to create simple, sumptuous chocolate bars and truffles in her glass-walled Pike Place Market factory and shop.



BEVERAGE SPECIALISTS/ SEATTLE BARISTA ACADEMY

Bob Burgess, Founder and CEO

If Seattle is the epicenter of the coffee industry, then Bob Burgess (BA 1977) is an original catalyst. He began importing commercial espresso machines and manufacturing coffee carts and kiosks in the mid-1980s, then established the Seattle Barista Academy—a first in the US—in the 1990s. And today he leads Beverage Specialists, a supplier of flavor additives, including the curious “Coffee Pop,” a carbonated mixer with hints of caramel and citrus alongside the punch of Brazilian arabica coffee. Take that, Red Bull!



BEAN BOX

Ryan Fritzky, Co-Founder

Ryan Fritzky (BA 2005) launched Bean Box in 2014 as an “all-access pass to enjoy the world’s best coffee at home.” The subscription service delivers tasting experiences of multiple coffees expertly curated from independent roasters across the nation. While developing the concept, Fritzky and his partners interviewed patrons of indie coffee shops in Seattle who would “describe tasting notes like you’d see on wine promotions,” he says. “The coffee was so superior that we fell in love with the idea of bringing such a local and craft experience to people everywhere.”



BEAN BOX



FRAN'S
CHOCOLATES

FRAN'S CHOCOLATES

Fran Bigelow, Founder and CEO

Fran Bigelow (BA 1965) is a living legend in the chocolate world. Since opening her first chocolate shop in 1982, she has built a global brand beloved by all. A pioneer in the American artisanal chocolate movement, Bigelow is still considered one of the nation's top chocolatiers. And her eponymous company continues to produce impeccable chocolate confections, composed of organic and fair trade ingredients, which are available through retail shops in Seattle and Japan, a thriving online business and specialty gourmet stores across the country.



THEO CHOCOLATE

Christine Zess, *Director of Finance and Accounting*

Even a chocolate company of dreams needs to mind its finances. Christine Zess (BA 2002, EMBA 2016) does just that for Theo Chocolate, the first organic, fair trade-certified, bean-to-bar chocolate maker in North America. From its fanciful production facility in Seattle's Fremont neighborhood, Theo inspires people to make a better world through chocolate. It's certainly setting the tone by producing exquisite chocolate—winner of multiple international awards—with a deep commitment to organic and fair trade practices for the planet, farmers and consumers.

MAUNA LOA

Danielle Laubenstein, *Director of Global Marketing*

Danielle Laubenstein's (BA 2008) career in chocolate was love at first bite. Straight out of Foster, she was hired as a field sales manager for Godiva Chocolatier. As she learned more about the health benefits of cacao—a bona fide super food—she moved on to lead marketing at Chocolive. She jumped at the recent opportunity to join Mauna Loa, where she has presided over a comprehensive rebranding of the company that has elevated the Hawaiian macadamia in all of its forms—the best of them covered in chocolate.



DECAFINO

Andy Liu, *Founder*

Ever thought: *this decaf is weak*? Andy Liu (MSCM 2018) has. After poor sleep prompted him to swear off caffeine after 2 p.m., he found conventional decaf coffee unsatisfying bland. So, he gathered a team of fellow scientists and engineers and developed a revolutionary way to extract caffeine from any coffee drink. The patented compostable Decaf Pouch works like a reverse tea bag: its natural plant extracts and minerals attract and bind with caffeine molecules like a magnet does metal. What remains is all the intricate flavor and aroma of coffee—minus the buzz.

SCOOT! CRAFT COLD BREW

Kari DeGraff, *Founder*

Kari DeGraff (EveMBA 2019) always wanted to create something of her own. When the Air Force veteran recognized the potential of the cold brew market while attending Foster, she started Scoot! in her garage. She opened the first Scoot! Café in Cleveland in July 2020, offering the classics but using her own cold brew concentrate in place of espresso. "Successfully opening a storefront, growing a new brand and introducing a new coffee technology in the midst of a pandemic is an achievement," says the Best of Cleveland awardee.



BOON BOONA COFFEE

Efrem Fesaha, *Founder*

Efrem Fesaha (Ascend Seattle 2019) left a finance career in 2019 to open Boon Boona Coffee, a potable expression of his proud Eritrean heritage. Boon Boona—words for *coffee* in East African dialects—sells house-roasted coffee and beans sourced from the continent of Africa. And it has quickly become a cultural heart of the area's East African community (including a weekly traditional roasting ceremony) and flourishing hub of the diverse neighborhoods around its Renton and (Seattle) Capitol Hill cafés.



SELEUŠS CHOCOLATES

W. Alexander Lóng, *Founder*

Alexander Lóng (BA 2004) began experimenting with chocolate in 2007 while running a laser company that provided RD&E for the US Military. Over time, chocoholic became chocolatier—actually “Grand Master Chocolatier,” according to the International Chocolate Salon. In his boutique SELEUŠS shop in downtown Seattle, Lóng practices time-honored French techniques to turn out micro-batches of hand-crafted chocolate truffles of the finest ingredients and most imaginative pairings (such as coffee and chicory, orange blossom honey and Greek rose). Confections for the connoisseur. “At SELEUŠS,” he says, “we make chocolate, not candy.”

CUPCAKE ROYALE/WUNDERGROUND COFFEE

Jody Hall, *Founder*

Jody Hall (EDP 2010) left a career at Starbucks to open the first cupcake-dedicated café outside of New York City back in 2003. Cupcake Royale, serving Stumptown Coffee under the Verite Coffee banner, grew into a Seattle institution and spun off a seasonal favorite each Valentine's Day: the Deathcake, a pitch-black aphrodisiac infused with house espresso and Theo chocolate ganache. Now, Hall has launched Wunderground Coffee, infused with the ancient medicinal benefits—focus, calm, immunity—extracted from different mushroom genera.



FORTÉ CHOCOLATES

Karen Neugebauer, *Founder*

While recuperating from a back injury shortly after graduating from Foster, Karen Neugebauer (MBA 2004) discovered a passion for making fine chocolate. She opened Forté in Mount Vernon and began conjuring remarkably elegant and flavorful artisan chocolates. Though she has won countless national and international accolades—including five golds at the International Chocolate Awards—what really motivates her is helping people celebrate everyday moments and major milestones: “I believe that life—and chocolate—is as amazing as you make it.”



ZOKA COFFEE

Jeff Babcock, *Co-Founder*

Jeff Babcock's (BA 1979) interest in coffee was sparked by a visit to the original Starbucks while at Foster in the late 1970s. He quit the family business in 1983 and moved to Florida to open his own coffee shop before eventually returning home to co-found Zoka in 1997. Launched in an era of big-name coffee getting bigger, Babcock set out to create true specialty coffee. This has meant roasting every day “because we want to do it right,” he says. “And I think we have for the past 25 years.”

ATOMO MOLECULAR COFFEE

Cara Castro, *Director of People + Culture*

What if coffee didn't require beans at all? The big brains behind Atomo have done the impossible: reverse-engineered the coffee bean and recreated its molecular compounds using upcycled ingredients—date pits, chicory root, grapeskin—to brew a perfectly consistent, sustainable, delicious cup of coffee. Founding CEO Andy Kleitsch, a mentor in Foster's entrepreneurial programs, recruited wine-industry veteran Cara Castro (MS Entre 2019) to lead marketing and people operations. And Seattle—hotbed of coffee and tech fanatics—has proven uniquely suited to incubating their tasty technological marvel.



GHIRARDELLI CHOCOLATE COMPANY

Catherine Clementi, *Head of Procurement*

Managing procurement at one of the biggest chocolate companies in the United States is more than just a sweet gig. Yes, Catherine Clementi (MBA 2018) gets to eat free chocolate and taste some cool, delicious recipes. But she also gets to drive responsible sourcing efforts at Ghirardelli, a subsidiary of Lindt and Sprüngli. In addition to improving processes, forecasting prices and navigating supply chain challenges, she participates in the implementation of a farming program, “which supports cacao farmers, their families and communities across the world.”

NIL GOES TO COLLEGE

A Foster School course delves into the debate over name, image and likeness rights for NCAA student-athletes

by ED KROMER



Images courtesy of Red Box Pictures and UW Photography.



Seismic change has come to college athletics.

At the end of June, a decade-long debate involving former athletes, advocates, the NCAA, state legislatures, Congress and, indirectly, the Supreme Court—plus a whole lot of lawyers—finally reached its denouement: a landmark ruling that allows student-athletes to make money off their own name, image and likeness (NIL).

But months before this saga's initial resolution triggered a swarm of news stories and op-eds, a group of students at the UW Foster School of Business could be counted among *the* most informed on the issue's endless nuances.

Tod Bergstrom's Business, Government and Society (MGMT 320) took students on a deep dive into the unfolding debate over NIL rights, from its opening lawsuit to the forces leading to the NCAA's ultimate capitulation.

This living case study served as a through line to the course curriculum, which examines the political, social and legal environment of business and observes critical management issues from historical, theoretical and ethical perspectives.

"The NIL case is really complicated from many different angles," says Bergstrom, a teaching professor of management and organization at Foster. "There are legal issues, there are ethical issues, there are economic issues. There are issues related to member schools, conferences, teams and the student athletes themselves. This made it a really useful and fascinating journey for the class."

Living case

Bergstrom, who also serves as King County's senior deputy prosecuting attorney, has taught Business, Government and Society at Foster for two decades. He often employs an unfolding real-world case to illustrate the concepts introduced throughout the course. In 2020, for instance, he hitched topical lectures to the breaking debate over section 230 of the Communications Decency Act, which shields online platforms, such as Facebook, from liability based on the content posted by third-party users.



Tod Bergstrom

This year, Bergstrom decided to use the NIL debate, which was barreling toward some form of conclusion with the momentum of a blitzing linebacker.

"I went on a crash course," he says of his preparation. "I read everything I could possibly find, watched a lot of documentaries and settled on this being the story arc."

It was an arc not lacking in dramatic tension.

The current push for student-athlete NIL rights was initiated in 2009 when Ed O'Bannon, a former UCLA basketball player, filed a lawsuit claiming that his alma mater and the NCAA were licensing his image and likeness without his permission. After a Federal District Court judge ruled in favor of O'Bannon, California and, eventually, 20 other states passed laws that would allow student athletes to capitalize on their own name, image and likeness. Meanwhile in DC, the Senate and House of Representatives dithered on an array of proposed federal statutes

that would preempt state laws. And, in the related *NCAA v. Alston* case, the Supreme Court struck down NCAA regulations limiting the education-related funds a school can provide its student-athletes. With this decision establishing that the NCAA is not exempt from antitrust laws and tipping the judicial scales in favor of student-athletes, and with the first wave of state NIL laws scheduled to take effect July 1, the NCAA finally relented on its longstanding prohibition against collegiate athletes earning side money off their fame.

That's the story in broad brush strokes. But what would it all mean—to student-athletes, to teams, to schools, to the business of collegiate sports?

A-team of experts

To delve into the potential human effects of this dogmatic change at the NCAA, Bergstrom recruited a willing partner for the class in Chris Petersen. The former head football coach of the Washington Huskies happened to be spending the 2020-21 academic year as the Foster School's Edward V. Fritzky Visiting Chair in Leadership.

He was more than happy to engage his sprawling network to help assemble a panel of virtual visitors to class that read like a who's who of the NIL debate:

- Lowell Bergman, the legendary Frontline correspondent, and Sonny Vaccaro, a resolute NCAA critic, helped lay out the big picture.
- Robert Gammon, a policy advisor in the California legislature, discussed the first state legislation allowing students the right to their NIL.
- Jared Bomberg, senior counsel to the pertinent US Senate committee, discussed potential federal laws that would preempt competing state laws.
- UW Director of Athletics Jen Cohen laid out the NCAA's perspective on the issue; Kiley Strong, the senior associate athletics director for compliance, gave a primer on NCAA compliance; and Erica Censi, the assistant athletics director for student-athlete development, introduced the planning that Husky Athletics was doing ahead of the rules change.
- Former Husky football stars Jake Browning (now a Cincinnati Bengal), Myles Bryant (now a New England Patriot) and Myles Gaskin (now a Miami Dolphin), discussed the potential impact on student-athletes.

To really dig into the topic, Bergstrom says, "Chris opened doors that would have been difficult for me to open up on my own."

Insider perspective

Of course, one of the headliners of this all-star panel was Coach Pete himself, who brought a unique perspective to the discussion.

In principle, Petersen supports the rights of athletes to capitalize on their athletic notoriety, which could materialize in myriad ways: sponsored social media posts, endorsement deals, autograph sales, training lessons and camps,



Chris Petersen

speaking engagements, personal branded merchandise, even limited edition non-fungible tokens (better known as NFTs).

At the same time, he provided an important reality check about the potential for unintended consequences.

One is to team cohesion. "People want to feel like we're all in this together," Petersen says. "Everyone has different roles, but we all need each other to do special things. And then, all of a sudden, some are making money. That's going to be an issue."

A far bigger issue is around compliance and fairness.

"Chris had this really great insight into what was going to happen when NIL became a thing," Bergstrom says. "He's justifiably concerned about compliance and whether a rule like this gets written in a way that prevents certain schools from gaming the system."

How do you regulate the inevitable swarm of college sports agents? Who decides the fair market value for an athlete's endorsement? What's to stop some schools' boosters from inflating payment as a way to enhance recruiting?

"Without the proper guardrails, this could just be a way to legalize cheating," Petersen adds. "I don't think people understand how hard it is going to be to keep a level playing field in the recruiting process. It's already super difficult. And now certain schools and regions could be playing by different rules."

Concepts in reality

The point of the class, of course, was not to solve every potential caveat of the NIL debate. Rather, the debate was meant to help students learn how to navigate the ethical issues around any complex organizational decision. And to understand how such a decision affects so many different stakeholders.

It was also designed to engage students in topics that could otherwise seem a tad esoteric.

"Hat's off to Tod for being this creative and this kind of a teacher," Petersen says. "His class is not about just NIL. It's a look at the application of ethics and law and business decisions that are really complicated and affect a lot of stakeholders. And it's based on a case that was evolving before their eyes."

"When you start figuring out all the aspects and ramifications that this NIL decision can have, I think it's really interesting to students. It puts them at the forefront of a national debate."

Casual to committed

One such unlikely expert was Inaayat Gill (BA 2021), a student in MGMT 320 now at PwC. Gill would describe her interest in NCAA sports as casual at best. A player on the UW's ultimate frisbee club team—about the farthest from a money sport—she came into Bergstrom's class without any prior knowledge or particular interest in this impending rule change.

"I don't really pay attention to college sports," Gill admits. "I'll know if the UW is in a bowl game, but that's about it."

Nevertheless, she found the debate over NIL rights to be unexpectedly fascinating.

"It's interesting because everyone we heard from had a different point of view, but really strong opinions on this," Gill says. "Everyone wants to make our players happy, but they all had very different ideas on how to do that."



BOUNDLESS FUTURES

As collegiate athletes are suddenly allowed to earn money on their name, image and likeness, the Foster School of Business is partnering with UW Athletics on a program that prepares Husky student-athletes for the unprecedented opportunities before them.

Boundless Futures is a comprehensive personal, professional and leadership development curriculum, designed and delivered by Foster faculty, to help UW student-athletes capitalize on the NIL rule change.

The series of for-credit courses explores the intersection of sports and business, covering key NIL topics such as personal brand development and strategy, personal finance, business, entrepreneurship and opportunity evaluation. And a certificate program called the Foster Leadership Academy engages student-athletes in experiences and reflection through the lens of authentic leadership.

"These are concepts we're already providing to Foster students, but customized for Husky student-athletes," says Tod Bergstrom.

And those lessons may benefit more Huskies than you might think. With so many different ways to make a buck on NIL—from private lessons to speaking engagements to social media endorsements—the new NCAA rule may spell opportunities for not only star athletes in marquee sports, but also those in less flashy sports with no clear path to lucrative pro careers.

For those softball players or rowers or gymnasts who have dedicated their lives to performing in college, *this* may be their best opportunity to cash in on those years of blood, sweat and tears.

Foster is helping them, like all of its students, learn how to seize the day.

And she found all the more engaging this method of learning across a case playing out in real time.

"It's just easier to follow what you're learning because most of it is relevant to the case we studied," adds Gill. "Otherwise, a lot of the concepts can feel pretty conceptual. For instance, you can study an ethical model or a stakeholder model, but it becomes more real when you can apply it to the NIL case.

"You realize that everything is tied together."

Expert witnesses

Through the window of the NIL debate, Gill and her classmates developed a greater sense of the broad implications of momentous organizational decisions.

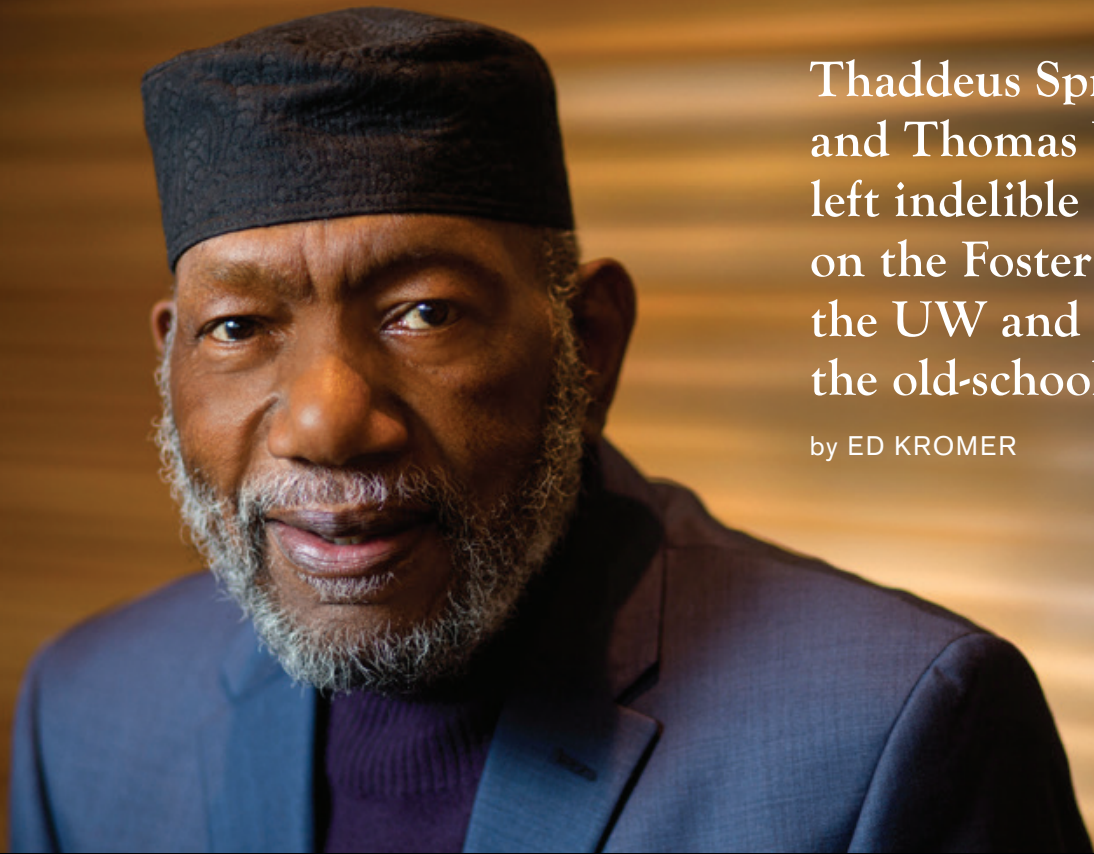
Through their extraordinary access to the experts at the forefront of this particular debate, Bergstrom's students also achieved an insider's perspective on an issue that has continued to unfold in the weeks since class was dismissed.

And it will likely keep unfolding. In its initial ruling, the NCAA punted on the chance to enact rigid NIL guidelines, opting instead to push the details and enforcement to the conferences and schools.

Many believe that the fairest long-term resolution will require federal statute. Chris Petersen, for one, thinks that the nation's legislative bodies would do well to call an expert witness who constructed a unique course around a comprehensive examination of the issue's every facet.

"I think Congress needs to bring Tod Bergstrom in," says Petersen. "I mean, *really*. He has an interesting perspective on the issue and knows more about it than almost anybody from his deep study and from talking to so many people who have been involved in the debate."

Bergstrom would have his pick of savvy former student aides to bring with him. ■



Thaddeus Spratlen
and Thomas Lee
left indelible imprints
on the Foster School,
the UW and the world—
the old-school way

by ED KROMER

MEGA-INFLUENCERS



The Foster School of Business lost two genuine faculty giants this year.

Thaddeus Spratlen, a professor emeritus of marketing, was a trailblazing Black business educator, a potent and prolific researcher of prescient societal challenges, a mentor and role model for generations, a formidable advocate for diversity, equity and inclusion, and the inspiration behind a center that has accelerated the growth of small businesses owned by underrepresented minorities across Washington and the United States.

Thomas Lee, the Hughes M. Blake Professor of Management, was the epitome of the modern scholar-teacher-leader, a figure of enormous import in the discipline of management, author of award-winning research including landmark insights on job turnover, generous mentor and even-handed administrator, editor of the preeminent Academy of Management Journal and president of the Academy of Management.

Read on to learn more about the extraordinary lives and legacies of these two great and good men.

Giant of Economic Justice

Thaddeus Hayes Spratlen was born in Union City, Tennessee, and raised in the segregated south during the Great Depression. Despite hard times, his father, a Baptist minister, instilled in him a passion for excellence.

Showing academic promise from an early age, Spratlen was sent to live with an older brother in Cleveland in the early 1940s. There, he found the educational opportunity that his hometown's underfunded all-Black school could not provide. But with college tuition looking too expensive after his father died, Spratlen enlisted in the Army in 1948 and earned his officer's commission in 1952. He served a year of combat duty in Korea, calling in artillery strikes from dangerous forward positions.

"People seeing me 20 years later—by then wearing Dashikis and into the culture of the late '60s, early '70s—would have hardly believed that I was once a military officer doing this kind of work," Spratlen said in a 2006 interview. "It's so out of character with what I've become associated with in my later years."

His transformation may have begun the day he returned to civilian life. After serving in a racially integrated Army, Spratlen returned to a country still widely segregated. But he was not about to let that stand in his way.

Breakthrough academic

Upon marrying Lois Price, a formidable partner and the love of his life, Spratlen continued his studies on the GI Bill, earning BA, MA and PhD degrees in quick succession from Ohio State University.

In the early 1960s, the job market for an African American with a doctorate was generally limited to Historically Black Colleges and Universities. But, applying with his CV lacking a photograph, Spratlen earned his spot as the second Black faculty member at Western Washington University—the first in its department of business and economics.

"Very early on, I had a desire to work on, study and teach issues surrounding race and ethnicity," he said in 2006. "I taught mainstream business courses. But I was always moving toward a time when I could focus on social and economic issues dealing with race."

After eight years at Western Washington (1961-1969) and three at UCLA (1969-1972), Spratlen joined the University of Washington in 1972—the first Black professor on faculty of the Foster School.

Quickly distinguishing himself as a significant figure around campus, Spratlen became the first faculty advisor to the newly formed Association of Black Business Students. He became the first Black faculty member to earn tenure at the UW. And, over his five decades at Foster, he published more than 75 research papers, book chapters and documents that both explored mainstream topics of retail management and strategy and probed more pressing racial, ethnic and societal issues around marketing and related business disciplines.

Sparking a center

Spratlen's research in the area of urban enterprise development grew into an innovative course, developed with colleague David Gautschi, that deployed student consulting teams to help grow minority-owned businesses in Seattle's inner city.

The class—Urban Crisis and the Contemporary Marketing Challenge—inspired a student named Michael Verchot (MBA 1995) to join Spratlen and Dean William Bradford in co-founding the Consulting and Business Development Center in 1995 (then known as the Business and Economic Development Program). For many years, Spratlen served as faculty director of and advisor to the center built on the blueprint his course drew up.

"Thad's greatest contribution was normalizing and promoting the pedagogical approach that public business schools need to be engaged with the community," Verchot says. "The center is the



Thad Spratlen, back in the day.

embodiment of who Thad is. For 26 years, every major decision was done in consultation with him.”

With Spratlen’s sage counsel, the center has grown almost exponentially. Through student consulting and faculty-led management education programs, the CBDC has accelerated the growth of small businesses owned and operated by people of color, women, LGBTQ+ entrepreneurs and those located in underserved communities across the state of Washington. How dramatically? Center-supported businesses have generated more than \$250 million in new revenue—at an annual growth rate more than double the state average—and created or retained more than 225,000 jobs since its founding.

In 2016, the CBDC expanded its model and its reach to 15 American cities across the Ascend network, in partnership with JPMorgan Chase.

Life of service

The spark of a humble inspiration that grew into a nationwide movement, Spratlen remained an essential presence at the center and the Foster School across the decades. Likewise the UW and the wider world.

He served as associate and acting director of Afro-American Studies (1980-1982) at the UW and as representative to the Faculty Legislature (1992-1993). At Foster, his long commitments to the CBDC and ABBS were recognized with the Dean’s Citizenship Award (2004) and two Andrew V. Smith Faculty Development Awards (1993, 1999).

Beyond the UW, Spratlen co-founded the Caucus of Black Economists, which became the National Economic Association. He earned the Frederick Douglass Scholar Award from the National Council of Black Studies. And, for championing efforts of The PhD Project to increase representation of minority faculty across the business disciplines, Spratlen was awarded by the

organization for lifetime achievement in 1997 and enshrined in The PhD Project Hall of Fame in 2017.

Living legacy

Thad’s powerful partnership with Lois Price Spratlen—a force for equity in nursing and public health, and the first Black provost at the UW—multiplied their individual powers of the positive. Together, they created a family foundation and gave more than \$1 million to the UW and Foster School

over their lifetimes—much of it endowing a fund that supports student consulting and ensures that the vital work of the Consulting and Business Development Center will continue for generations to come.

In addition to the depiction of the Spratlens at the center of the striking mural in the Husky Union Building celebrating everyday and extraordinary champions of Civil Rights, the Foster School will create a tangible legacy in the Spratlen Lounge for Inclusion and Diversity, a special community gathering space in Founders Hall, scheduled to open in June of 2022.

“Thad’s tremendous impact on students and faculty is only surpassed by his impact on society,” says Dean Frank Hodge. “His work to help economically challenged communities of color thrive and prosper is exemplary and perfectly embodies the Foster School’s purpose of bettering humanity through business.”

The City of Seattle proclaimed September 28 “Thaddeus H. Spratlen Day.”



Lois Price and Thad Spratlen were a force for good at the UW.

Academic Exemplar

Thomas William Lee was the son of Chinese immigrants. His father had come to the United States as a houseboy for a Chinese family in the early 1930s, and his mother arrived soon after World War II. “My parents and their generation wanted to create the most stable and boring environment for their children,” he said in a 2013 interview.

That “stable and boring” childhood enabled Lee to excel at school. He earned a BA in psychology from the University of California at Berkeley in 1975 and an MA in industrial psychology from Bowling Green State University in 1977.

His career began in industry—a human resources job at the Southern California Edison Company—but quickly migrated toward academia. Lee earned his PhD in management from the University of Oregon in 1984.

Family reaction was, well, mixed.

“My father was a grocery clerk and thought my academic career was the most wonderful thing in the world,” Lee recalled. “When my mother heard that professors don’t get paid that much, she thought that I was nuts!”

Prolific scholar

Nuts or not, Lee joined the Foster School in 1983 and quickly made his mark.

He taught at every level, from undergraduate to MBA to PhD, earning impeccably high ratings from students. And, over the years, he mentored scores of doctoral candidates to their own successful academic careers.

But it was his research that really distinguished Lee from the crowd. Both in quantity and quality, his publication record is superlative by any measure. He authored an important book on qualitative research methods and 95 papers published in peer-reviewed journals, receiving 24,000+ Google Scholar citations and registering an “h-index” of 51—indicating significant influence.



Tom Lee's rookie card at Foster.

Lee's research interests examined a broad swath of human resources (HR) and organizational behavior (OB), on topics as diverse as goal-setting, decision-making, employee voice, situational interviews, recruiting, selection and attendance.

But his contributions to two important areas made an outsized impact both on the academic literature and the profession of management.

Demystifying turnover

Lee entered the HR field just after the first articulations of major predictors of employee turnover and the steps to quitting.

He began a long partnership with Terry Mitchell, a professor emeritus of management at Foster. And in the mid-1990s, the colleagues introduced the "Unfolding Model of Turnover." This theory demonstrated that, in many cases, it takes an external event or shock to prompt workers to quit their job, beyond the personality and attitudinal factors that had been studied ad nauseam.

In the 2000s, Lee and Mitchell began looking at the other side of the turnover equation: why people stay in their jobs. Most thought that satisfaction was the most important factor. But they identified several other factors—links, fit and sacrifice—that made leaving just a little bit harder. This became the "Job Embeddedness" model.

They went on to develop Psychological Withdrawal Theory, which improves the prediction of turnover substantially by considering reluctant leavers and stayers differently from enthusiastic leavers and stayers that had traditionally been studied.

And recently, they were working to identify turnover indicators over time. "By looking at the trajectories of job satisfaction, engagement, and embeddedness over time rather than in a single moment," Lee explained in 2018, "we find that the predictive quality of surveys skyrockets."

Research in action

Lee's enormous body of relevant research garnered a long list of accolades, including scholarly achievement awards from the Organizational Behavior and Human Resources divisions of the Academy of Management.

While some of Lee's papers established new paradigms in the HR and OB fields, others interpreted research insights into practical use for managers of all stripe—even basketball coaches.

One recent paper demonstrated that a work environment empowering autonomy is key to retaining high-value employees. In another, he collaborated with the world's foremost organizational behavior experts to produce an evidence-based guide to greater government efficiency. And in another, he distilled the wisdom from 100 years of research on voluntary job turnover into a set of best practices for managers. He even demonstrated that local college basketball recruits tend to be better performers, provided there's stability in the coaching staff.

Even-handed leadership

While building his prolific teaching and research record, Lee never balked at the call to leadership.

A shrewd reviewer, he rose to editor of the preeminent *Academy of Management Journal* and on the editorial boards of eight other journals.

At the Academy of Management, Lee served in an ascending sequence of leadership positions, leading to a year as Academy president (2007-2008), where he elevated the organization's standards and commitment to transparency.

After being diagnosed with a brain tumor in 2004, he decided to take on another major leadership role, this time as the Foster School's associate dean for academic and faculty affairs. Meant to be a short-term arrangement, he remained at the job for a dozen years before stepping down in 2016. During that time, his steady-handed leadership led to standardized evaluation and promotion systems and mechanisms of greater transparency and fairness, among other reforms.

Academic decathlete

Lee's multi-faceted excellence was widely celebrated.

Sarah Kooor-Misra's 2013 article in the *Journal of Management Inquiry* held Lee as the quintessential model of the "academic decathlete," who excels at research, teaching, service, mentorship and leadership over the course of a career—and sometimes concurrently.

A 2019 paper by Herman Aguinis (et al), outlining best practices for a modern academic career, touted Lee as an "inspiring exemplar" for aspiring scholars in any discipline.

There was, of course, more formal recognition.

In 2015, the Human Relations Division of the Academy of Management honored Lee with its Herbert Heneman Jr. Award for Career Achievement.

The Academy went even further in 2016, bestowing upon Lee its overall Career Achievement Award for Distinguished Service.

"It is generally difficult to summarize a career," says Mitchell, Lee's longtime collaborator and close friend. "There are so many dimensions on which one could focus. But for Tom, it is straightforward: he was simply exceptional on every dimension."

Legacy and humanity

Those who knew him best testify that Lee was far more than the sum of his curriculum vitae—extraordinary as it was.

His *vita*e—his life—was about service, community and camaraderie, most of all. He was a scholar and a teacher and a leader, yes. But also a mentor, a colleague and a friend.

"All the publications and titles and awards and recognition demonstrate incredible dedication and energy, but they tell you little about a person's character," says Mitchell. "Everyone who knew Tom, liked him." ■



Tom Lee earned many honors over a long career.

An aerial photograph of a dense evergreen forest, likely spruce or fir, with sunlight filtering through the canopy, creating a dappled light effect. The word "EVER" is superimposed in large white letters across the upper half of the image.

EVER

**The Buerk Center for Entrepreneurship
has risen from deep roots—
and continues to grow**

by CHARLES TRILLINGHAM

GREEN

The evergreen tree is the symbol of Washington state and, for many, of the holiday season—gifts and all. Growers consider it to be mature when it starts producing cones with seeds. This can take up to 30 years and requires that the tree grows as the environment around it evolves.

This makes the evergreen an apt metaphor for the state of entrepreneurship at the Foster School of Business and the University of Washington that has been championed by the Arthur W. Buerk Center for Entrepreneurship. Thirty years ago, a few individuals planted the first seeds of an official program as the dynamics of collegiate innovation adapted to the growth in technology worldwide.

Now, all these years later, the Buerk Center stands as one of the pillars of the UW and Seattle entrepreneurial ecosystem—focused on empowering students at all levels to solve real-world problems by launching impactful businesses.

But just as a startup is only as strong as the individuals behind it, so is the Buerk Center. During the 2021-2022 academic year, we'll celebrate the perspectives of individuals who impacted or participated in our programs, competitions and courses not only by looking back, but also by looking forward. These stories, a few of which are highlighted in the pages ahead, will live on the Buerk Center's website at **startup.uw.edu**. Their experiences and insights will provide additional resources to student entrepreneurs today and in the future.

In this way we honor those who got the ball rolling, while fostering a future we can't wait to see.



RON HOWELL



In 1991-92, a group of individuals driven by a desire to empower students to solve real-world problems, and to innovate and lead the Seattle business ecosystem forward, organized the first advisory board for the Program in Entrepreneurship and Innovation at the University of Washington. Those same values live on today in the Foster School as it looks to advance the leaders, insights and betterment of humanity well into the future.

Among those influential first board members is a self-described “non-entrepreneur.” Ron Howell retired in April 2021 as CEO of the Washington Research Foundation

after 32 years, but remains engaged with the Buerk Center and student entrepreneurs. His leadership has impacted the evolving landscape of the bio- and health-technology startup ecosystem in Seattle.

If you asked Howell to tell you what was true in 1992 that is still true now, he’ll point to the courage, smarts and infectious energy of the students, first and foremost. But that’s not all. As one of the original patrons of the program, he graciously shared these words:

There have been lectures on how the program or the events have changed, grown or become more popular, but all that stuff is like reading a phone book until you get to one of the competitions. It’s all about the students, the students, the students—and how they put in their hearts and souls to try and succeed.

I’ve been on the advisory board through five deans. For the program to survive the vision of five deans only underscores the importance of entrepreneurship in a modern competitive

business school. Every single one of them thought that this program was worth keeping and, in fact, improving.

Can you imagine if a medical school graduated people and none of them ended up as actual practicing surgeons? That’s like a business school that doesn’t have practicing entrepreneurs roaming the hallway.

I knew in 1992 that universities in general were interested in creating startups out of technology-based businesses, which is still true today. Alvin Kwiram (UW emeritus professor and emeritus vice provost for research) asked the Washington Research Foundation if we would help think about and fund early-stage startup companies. The answer was simple. He was the first person to inform me that the university wasn’t indifferent to startups. Startups had to become not just a part of the culture, but the university had to become a partner in return.

It’s been my great pleasure to work with the leaders of the program. I’ve seen it develop from a very modest beginning, with very modest resources, to a program that currently competes on a national basis for the best students in the world, not just this country. Graduates go from teams of students to successful serial entrepreneurs and financial patrons and supporters of the program.

In this business school, this entrepreneurship program, you can get introduced to CEOs that have tried and failed, as well as venture capitalists, people that understand manufacturing, distribution, international business, etc. UW is taking full advantage of the fact that Seattle is the repository for many exciting businesses—historical growth, venture capital, and an abundance of different types of businesses. People with various backgrounds.

I’m really proud to have been a part of this program and I hope it sticks around for another 30 years.

ENTRE’S CHANGING NAMES

Fall 1991

Program in
Entrepreneurship and
Innovation begins (PEI)

Fall 2000

PEI becomes
Center for Technology
Entrepreneurship (CTE)

Fall 2005

CTE becomes Center
for Innovation and
Entrepreneurship (CIE)

Winter 2013

CIE becomes the
Buerk Center for
Entrepreneurship



ADINA MANGUBAT



In 30 years of formal entrepreneurship programming in the Foster School, perhaps no course has impacted undergraduate students more than Creating a Company. When it debuted in fall of 1998 under the guidance of Gary Hansen—who helped launched the Program for Entrepreneurship and Innovation in 1991—it represented a seismic shift.



The two-quarter structure empowers a diverse group of students to form teams, launch a business and seek real revenue and funding. However, in 2009, four years before the Entrepreneurship Minor for non-business students became available, it

was a challenge for students like Adina Mangubat (BS 2009 in psychology), the president and CEO of Spiral Genetics, to enroll. So, Mangubat sought out a sister course taught at UW-Bothell by Alan Leong—the very instructor who would take over Creating a Company at Foster in 2011 and leave an indelible mark of his own. He brought with him the “Hell Night” pitch competition as a core component to prepare students for launch. It certainly did for Mangubat. She lists “Winner of Hell Night 2009” on her LinkedIn next to “Dean’s List” at UW. Since then, she’s been a dedicated mentor to Creating a Company students.

Alan’s class was really the first time that I saw other people like me that were starting their own companies. He brings back alumni that did it at the same age that the students are. I didn’t have any background in genetics or computer science. It took a non-matriculated student—a molecular biologist PhD—to be in the course at the same time as me to be able to explain complicated things in a way other people could get them. And boom, there was a company!

Diversity really does breed innovation—the more you can get in terms of ages, backgrounds, technical interests, majors, etc., the more interesting things happen. At the end of the day, investors, especially in the early stages, are investing in you. That’s why the pitch competition (Hell Night) is perfect because it teaches people how to communicate.

Charles Trillingham is Assistant Director, Communications, Marketing and Public Relations, at the Buerk Center for Entrepreneurship.



GEORGE ROBINSON



The Buerk Center’s 30th anniversary arrives in the same academic year as the 25th anniversary of the Dempsey Startup Competition (formerly the UW Business Plan Competition). What many don’t know about that event is the role that the MBA student co-chairs play—or how participating, networking and working behind the scenes in that role can change their lives forever.



George Robinson (MBA 2019) co-chaired the BPC 20th anniversary celebration in 2017. He had spent almost ten years as an engineer at Boeing when he faced a critical decision: continue or join one of the top-ranked MBA programs in the nation and learn more about

business and entrepreneurship. And, like Robert Frost’s fork in the road, George says his choice has made all the difference.

On working behind the scenes:

My mental model of entrepreneurship was the following: Inventor has a great idea, works with close friends in a garage, then capital, hockey-stick growth, and IPO. Experiencing the stages of the business plan competition and meeting with founders and VCs helped me realize how much more there was. Students articulate why they would be the ones to solve their customers’ key problems and backed their ideas up with customer learnings from research and, often, actual revenue.

On joining one of the prize-winning teams as they entered the Jones + Foster Accelerator:

Joining ShopSight (think Google Analytics for a brick-and-mortar store) in the Jones + Foster Accelerator was a chance to learn some of these lessons first-hand. The Accelerator provided us amazing mentors and a springboard to connect with large customers and partners such as Nordstrom, REI and Impinj. Looking back, I can’t believe we made so much progress developing relationships with customers in such a short amount of time (and launched a pilot at Made in Washington at Bellevue Square right before the holidays.)

On choosing the startup world after graduation:

A little over two years after graduating, I worked at a tech startup turned unicorn (Convoy) and an even earlier stage tech startup (Tomo). I’d be lying if I said it wasn’t a bit uncomfortable and sometimes scary moving from a large organization with well-defined roles and products to a smaller company where I had to help chart a new path. But I have been able to lean on the lessons I learned at UW in entrepreneurship, breaking problems into testable hypotheses and treating failures as opportunities to learn. I haven’t had a dull moment since leaving school. ■



HOW TO BEAT BURNOUT

The right kind of compassion is key to restoring energy and engagement at work

by ED KROMER

How are you feeling at work these days? Exhausted? Detached? Less effective than usual?

These are all symptoms of burnout.

And if you're feeling one or more of them, you're far from alone. More than half of American workers reported feeling burned out in a 2018 Gallup poll. And that number has no doubt grown dramatically during the COVID-19 pandemic.



Kira Schabram

But don't despair. A new study by Kira Schabram and Yu Tse Heng concludes that burnout can be alleviated with compassion—so long as the object of compassion aligns with the type of burnout you're experiencing.

"This finding by no means recuses employers from taking accountability for supporting the mental health of their employees," says Schabram, an assistant professor of management at

the Foster School. "But our research suggests that when you're feeling burned out, the best person to help you recover may be yourself."

Burning conundrum

In 2019, the World Health Organization added burnout to its international classification of diseases that significantly impair health. In the US alone, workplace stress is estimated to cost more than \$190 billion in excess healthcare spending and cause 120,000 deaths annually. Its global toll on productivity has been pegged at \$1 trillion.

The pandemic has exacerbated the crisis, by dissolving the boundaries between work and home life, intensifying workaholicism and erecting barriers between colleagues and clients.

The dilemma can seem impossible to solve. And most conventional remedies are built upon activities that treat those suffering from burnout as the object of their own recovery rather than an active participant.

But what if people took an active role? And exercised compassion as an antidote?

Diagnosing the problem

Schabram and Heng, a doctoral candidate at Foster, set out to answer these questions. They studied social service workers and college students cramming for mid-terms to learn how different acts of compassion affected different kinds of burnout.

They first determined that burnout is not a monolithic affliction. It can present as any combination of three distinct symptoms:

- Exhaustion, which creates feelings of being overextended or depleted mentally or physically, resulting in reduced performance and commitment to work.
- Cynicism, which manifests itself in a callous and diminished connection to work, including clients, coworkers, or the job itself. Workers feel rejected and alienated, which erodes their commitment.
- Inefficacy, which refers to a depleted sense of self or accomplishments, resulting in subpar performance.

They also measured the effect of different acts of compassion—caring for oneself or caring for others—in mitigating these different variants of burnout.

“To recover from burnout,” Schabram says, “you must identify which of these resources has been depleted and take the action best suited to replenishing those resources.”

Exhaustion

When exhaustion is the primary symptom of burnout, the study shows that re-energizing acts of self-care are the most effective means of recovery. These acts can be quite small: taking a brief meditation, cooking yourself a meal, treating yourself to a fancy coffee, even just taking a nap.

“Self-care is not self-indulgent,” Schabram says. “On the contrary, taking a break and focusing on yourself is one of the best ways to combat exhaustion and burnout.”

Cynicism

When burnout presents as detached cynicism, the most effective countermeasure is caring for others. This could mean taking a colleague to lunch, offering words of encouragement, or even just listening to their problems.

“When feeling alienated, focusing on yourself may actually lead you to withdraw further,” Schabram explains. “Whereas being kind to *others* can help you regain a sense of connectedness and belonging in your community.”

Inefficacy

When burnout means feelings of irrelevance, inefficacy or unproductivity, caring for oneself and caring for others are equally potent countermeasures.

“Acts focused on boosting one’s positive sense of self—which is a byproduct of both compassion for self and for others—proved most impactful in this instance,” Schabram notes.

Start small

Of course, compassionate gestures can be a big ask when you’re already burned out.

Observing the actions of social service workers—a population prone to chronic levels of burnout—over three years revealed that those who were already suffering had a harder time engaging in acts

of self- or other-care. But those who were able to muster the energy to practice compassion showed significant reductions in burnout.

“It’s never too late (or too early) to address your own burnout,” Schabram says. “Compassion is like a muscle: it can be depleted, but it can also be strengthened.”

She adds that studies have shown compassion meditation training can actually rewire the brain. Breath training, appreciation exercises, yoga and movement practices have also been proven effective tools to cultivate compassion.

“The key is that anyone can learn to be more kind to themselves and to others,” she says. “These small acts—alongside other mental health practices—can help you begin to break free of burnout.”

Set the tone

While it’s reassuring to know there is a straightforward and effective therapy for burnout, Schabram points out that prevention is the best medicine.

It is on organizations and managers to foster a work culture that is not conducive to burnout—and to empower employees to cope in appropriate ways when they experience exhaustion, detachment or feelings of inefficacy.

“Real recovery comes when managers give employees the space to pursue their own restorative opportunities—whether that’s explicitly encouraging them to take personal time to check in with a co-worker, providing resources to build a mentoring network, or even just showing by example that the organization values self-care,” Schabram says.

That said, no matter how much effort an organization puts into combatting burnout, there will always be a need for employees to understand where their burnout is coming from and to develop strategies to help pull themselves out.

“Through self-reflection, employees can begin to identify the sources of their burnout, and then proactively determine the actions they can take that will be most effective for their recovery,” she says, “whether that’s self-compassion, acts of kindness or some combination of the two.”

“How Other- and Self-Compassion Reduce Burnout through Resource Replenishment” is forthcoming in the *Academy of Management Journal*. Kira Schabram has twice been named a favorite business professor by Poets & Quants and is a recipient of the UW Distinguished Teaching Award. ■

BOTTOM LINE ON BURNOUT

- Burnout manifests in three distinct symptoms: exhaustion, cynicism and inefficacy.
- Caring for yourself can reduce exhaustion.
- Caring for others can reduce cynicism.
- Both forms of compassion can reduce the impact of inefficacy.
- Either form of compassion is difficult to practice when suffering from burnout.
- Even small gestures make a big difference on recovery.



EMOTIONAL PPE

**Foster MBAs work to protect
the mental health of overtaxed
healthcare workers**

by DAVID FENIGSOHN

Throughout the interminable course of the COVID-19 pandemic, most of us have done everything possible to avoid exposure to the virus. But what is the mental health toll on those whose job it is to do the exact opposite?

To help address this, a Foster School of Business Service Corps project teamed MBA students with the Emotional PPE Project (EPPE), which is dedicated to connecting healthcare workers with free therapeutic services to manage the grief, burnout and trauma resulting from being on the front lines of treating a pandemic.

Chloe Valencia (MBA 2021), Andrew Wen (MBA 2022) and Cameron Boyd (MBA 2021) conducted research on healthcare workers' mental health needs and advised on marketing strategies for the nonprofit, which now has over 300 licensed therapists volunteering counseling services nationwide.

Personal connections

For Valencia, collaborating with EPPE was an ideal complement to her current position as a telehealth coordinator at Providence Health & Services. At Providence, one of her responsibilities is to serve as a behavioral health concierge, guiding employees to free therapy options, mirroring the mission of the Service Corps project.

"There's so much cross-over," Valencia says. "I think I'm able to contribute (to EPPE) based on some knowledge I have from Providence, and maybe it will go back and forth. There are things I can apply from work to school and vice-versa."

Wen also felt a personal connection to the project. EPPE is based in his hometown of Boston, a city with a large concentration of healthcare workers. Wen conducted market analysis research on how to best reach their target audience. "In Boston, a lot of health care workers travel by subway to get to work," he explains.

After considering media opportunities on transit, the team determined that subway advertisements are expensive and difficult to measure the impressions they leave. So, they explored alternatives, including potential partnerships with social media influencers.

Peer influence

That kind of advertising can achieve more than just raising awareness of the program. It can also help reduce a major obstacle to healthcare workers seeking treatment. For many in need, there is still a reluctance to pursue therapeutic services.

"There is definitely still a stigma attached to healthcare workers seeking help," Valencia says. She heard this directly when interviewing workers in the field. "The person I talked with today said 'I (feel as if I) should solve my problems by myself rather than talk to someone.'"

Emotional PPE is working to reduce such barriers, including lobbying licensing boards to support rather than potentially penalize healthcare workers who are getting the help they need.

Each member of the Foster MBA team felt a personal connection to the Emotional PPE mission.

In his work, Boyd found the most effective means of overcoming negative stereotypes is to have healthcare workers hear from their peers: "We found that what inspired many healthcare workers to move from considering getting therapy to actually finding a therapist was the personal testimonial of someone that they related to. Someone being vulnerable enough to share their positive experience with therapy gave others the permission to seek it out for themselves."

Don't call them heroes

What doesn't help is our new habit of referring to healthcare workers as "heroes."

While seeming supportive, this lip service can actually be detrimental, says Jean Kung, an EPPE board member who worked closely with the Foster team. "Consistent reference to heroism can have the effect of making healthcare workers feel that they are expected to go above and beyond their expected duties, despite the effect that this has on them. By definition, if heroism is the norm, the demand is excessive and not sustainable," she says.

"If an individual healthcare worker is tired, overwhelmed, burning out, or needs support, it could then be viewed that there is 'something wrong' with the individual, both by the healthcare worker themselves or by the public and/or the employer."

STRATEGIC CONSULTING

Foster MBA students deliver creative solutions to a wide variety of organizations through Applied Strategy and MBA Consulting projects.

The Service Corps program, a partnership with Foster's chapter of Net Impact, pairs teams of Foster MBAs with leading nonprofits to address critical unmet business challenges. Each is supported by a faculty advisor and an external consultant from a roster of firms such as BCG and McKinsey.



Lea Dunn

Andrew Wen, Chloe Valencia and Cameron Boyd

Win-win situation

Lea Dunn, an assistant professor of marketing at Foster, was the team's faculty advisor. She highlights the mutual benefit Service Corps projects provide. Students gain valuable experience, and the nonprofits receive in-depth research that otherwise would not be available.

"Chloe, Andrew and Cameron learned a tremendous amount of useful skills for the business world," Dunn says. "They started with the scope of trying to come up with clear marketing and promotion suggestions. To do so, they learned new skills such as survey construction, individual interview skills, analysis, and strategy construction from data... they needed to really understand the scope of the product and the intricacies of what drives this type of decision making among the target consumer."

Amid repeated waves of infections and hospitalizations, the need is as great as ever. As healthcare workers eventually find time to address their own needs, Kung says that EPPE will be there to help.

"Experience from prior disasters shows that as the acute stress wanes, healthcare workers will increasingly be able and willing to process the trauma associated with being on the front lines. Thus, long after the pandemic ceases, the need for emotional support and for our directory will persist."

It's a huge task for a fledgling organization staffed by volunteers. That made the Foster team's contributions all the more significant, and provided Valencia, Wen and Boyd the experience of working in a startup-type environment.

"EPPE is a very lean organization and doesn't have the bandwidth to explore and get in depth on some key strategic initiatives like marketing," Kung says. "It was extremely valuable to have the Foster team conduct research into tactics and demographics that could make a big impact given our limited budget. The team's perspectives and experiences were also helpful in bringing new and unique ideas to EPPE."

Dunn and Kung agree that the team gained valuable experience that will benefit their careers. But from Boyd's perspective, what he gained is much more valuable and longer lasting than a line item on a resume: "Emotional PPE is a win-win situation for healthcare workers who need someone to talk to and therapists looking to give back to the medical community that has made countless sacrifices to keep us healthy during the pandemic."

"It's heartwarming to know that our efforts will help bring awareness to this worthy cause." ■

OPENING DOORS POLICY

Inaugural Dean's Impact Scholars bring business acumen and DEI expertise to the Foster faculty

As part of a renewed effort to diversify the Foster School faculty, Dean Frank Hodge created a new visiting professorship in early 2021. Dean's Impact Scholars are leaders from the Seattle business community with demonstrated expertise in diversity, equity and inclusion (DEI) who join Foster to teach and mentor students and participate in the school's DEI efforts.

The first Dean's Impact Scholar, Stacia Jones, Esq., is the vice president and global head of Inclusion, Diversity, Equity and Action (IDEA) at Lululemon. She taught a course this fall that explored the intersection of DEI and law, taking deep dives into the impact of social justice, customer influence and employee activism.

Jones was joined by incoming Dean's Impact Scholar Martie Burris, the director of product management (PM) at Salesforce. Having previously been a guest lecturer at Purdue University (her alma mater) and led PM education at companies and conferences, Jones is developing a course at Foster that views entrepreneurship, strategy and product development through a DEI lens.

Foster Business spoke to Foster's first two Dean's Impact Scholars recently.

What role should universities play in advancing diversity, equity and inclusion?

Martie Burris: Schools have always played a key role in the promotion of DEI. It dates to segregation. Remember Brown vs. Board of Education? The micro and macro effects that schools can have on our society are limitless. Universities, in particular, provide perspectives that shape the way young adults will forever see the world. I'm excited to see how UW Foster will play a role in this effort.

Stacia Jones: For many professions, universities are the gateway. Having a gateway that is wide enough, welcoming

to diversity, sufficiently accommodating and necessarily equitable to attract, retain and promote individuals of diverse backgrounds is essential to ensuring that many professions have a pipeline that advances diversity. Universities are also important to cultivating innovative minds that continue to inform employers, institutions and programs on the most effective ways to ensure inclusion and drive equity.

Universities, like any other institution, are heavily impacted by systemic bias that uplifts those with privilege and creates

barriers for those without. Those institutions that acknowledge systemic bias and are active in dismantling it, even when that means the privilege of some is not what it could be, are most effective in creating inclusion and equity.

Do you feel that a more diverse faculty will lead to the Foster School becoming a more inclusive and effective organization?

MB: One phrase you hear in corporate a lot is: "it starts at the top." And it's totally true. To create change or move people



Martie Burris

Stacia Jones

to a goal, you need the highest levels of a hierarchy aligned towards a common vision. We call that vision a “true north.” For students to feel like DEI is at the forefront of the university’s mind, it’s imperative to have faculty reflecting the ideals the university wants to promote. We’re all still learning, we’re all on a journey, but having a bias for action to make change is something I’ve always respected. It drew me to UW as well. The faculty here is walking the walk and talking the talk.

SJ: I agree. Creating diversity in the infrastructure and at the top is always essential to creating a more diverse organization. One of the things I have noticed with organizations that are successful at increasing diversity is the strong showing of leaders who look like the individuals an organization is attempting to attract. Accordingly, if the university desires a more diverse student base, it is necessary to have professors and administration from diverse backgrounds.

In corporate America, we often see individuals who are being recruited ask about the diversity of the workforce and the makeup of leadership as an indicator of how inclusive a company might be and how likely the recruit is to be successful after hire. In addition, research indicates that women and underrepresented racialized individuals are more likely to advocate for diversity, equity and inclusion programs. Further, a more diverse faculty will lead to more innovation and, as a result, lead to the Foster School’s goal of uncovering new and exciting ways to become “better together, better tomorrow.”

What aspect of being a Dean’s Impact Scholar motivates you the most?

MB: Helping students. I’m a first-generation college student, and the first person to graduate from college on both sides of my family. There were so many people who helped me on that journey and continue to help. I just want to be to students what I needed someone to be to me during my collegiate years.

SJ: I love working with students. Listening to their impassioned, not yet adulterated, view on issues that we struggle with on a regular basis in the corporate world is refreshing.

How has your career been impacted by your race?

SJ: The approach I have taken to my career is to learn as much as I can, move at a steady pace while making qualitative and quantitative impact, be an expert in as many areas as I can, and have significant positive influence on all those I support and lead, and on those by whom I am led. One of the main drivers pushing me on my career journey is the understanding that I must work harder to prove that I am capable and to rise above and move beyond the hurdles that individual and systemic bias and bigotry place in my path. So, my race (alongside my faith, gender and other intersections of my identity) has been fuel to push me when I am tired, pick me up when I am knocked down, and propel me forward where there is opportunity.

What are some of the messages regarding DEI you’ve conveyed to students during your time at Foster?

SJ: DEI is a social justice effort to ensure that we all can enjoy the benefits of education, work and life; yet it must be approached as any other essential function within a business. There is a true human aspect to DEI work. But for it to be successful, we have to unpack the business case for DEI, set strategy and goals, and demand accountability and results.

MB: I want to help students relay their own messages of DEI better. We all have unique perspectives. I don’t just want to teach them mine. I want to hear theirs and empower them to share their inclusive voice well after their days on campus. ■

Interviews by Andrew Krueger and Eric Nobis. Conversations combined and edited for space and clarity.

ACCELERATING OPPORTUNITY

New Foster program is expanding inclusion in the product management profession

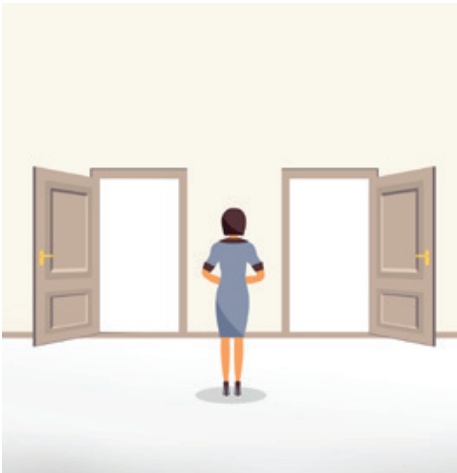
A fortuitous meeting of Martie Burris and Professor Jeff Shulman, founding director of the Foster School’s new Product Management Center, has led to the creation of its Inclusive Product Management (IPM) Accelerator.

The accelerator is inspired by a coaching initiative that Burris created in 2018 to advance the careers of early career Black and Latinx product managers. Her “Folding Chair” program honors the famous Shirley Chisholm quote: “If they don’t give you a seat at the table, bring a folding chair.”

Looking for ways to scale this initiative, Shulman and Burris have created a free, ten-week professional development program for product management that broadens access to economic opportunity by bringing more diverse voices to the PM community—professionals from historically marginalized communities who can inspire innovations that universally improve lives.

Foster’s new IPM Accelerator is already offering knowledge, connections and a community of support to empower its first cohort to excel in interviews and on the job.

RESEARCH BRIEFS



IPO OR M&A?

How venture capital shapes a startup's future

For new ventures trying to get off the ground, any willing investor can look like a godsend.

But entrepreneurs, when seeking funding partners, should carefully consider who will own their startups once they've taken off.

This according to new research by Emily Cox Pahnke, the Lawrence P. Hughes Endowed Professor of Innovation and Entrepreneurship at Foster.

Examining initial funding and ultimate outcomes of more than 42,000 new ventures that launched between 1982 and 2014, Pahnke and her co-authors determined that startups funded by a venture capitalist (VC) who tends to invest alongside the same group of partners are more likely to seek a faster exit by selling the company to a larger one. In contrast, startups funded by a VC syndicate with less familiar co-investors are more likely to exit through an initial public offering (IPO) that could allow the founders to retain more control—albeit under the pressure of broader shareholder expectations.

These are best-case scenarios—for founders *and* funders. “We asked a lot of VCs how they thought about acquisitions and IPOs,” says Pahnke. “And a quote that stuck with me the most was: ‘Hey, the best outcome is money.’ ” ■



PRAISE V. SHAME

Offering praise is the best way to induce preventive behaviors in a pandemic

In efforts to motivate behaviors that prevent the spread of infectious diseases like COVID-19, praise works better than shame—and much better when trying to convince political conservatives.

This according to a new study co-authored by Nidhi Agrawal and Lea Dunn, professor and assistant professor of marketing, respectively, at Foster.

Their study of social media messaging intended to promote preventive behaviors emphasizes the importance of aligning tone with the politics of recipients in our increasingly polarized world.

Specifically, encouraging conservatives with praise motivates them to seek public health information from credible sources, increasing the likelihood that they will adopt practices like social distancing and mask wearing. Shaming them, however, has the opposite effect.

“While sometimes a powerful motivator, shame only works when individuals perceive they are violating well-established social norms,” explains Agrawal, the Michael G. Foster Endowed Professor. “Without these norms in conservative communities, shame may create defensiveness that impedes the critical first step of information seeking and subsequent distancing behaviors.

“In these circumstances, we find that positive messages that motivate behavior via praise may be more effective.” ■



ERASING A RAISE

Minimum wage hike can exact an unintended toll on workers meant to benefit

Debate over raising the federal minimum wage continues to rage across the country. Proponents contend that a living wage is essential to the welfare of low-paid workers in retail, hospitality, service, manufacturing and supply chain jobs.

But an across-the-board boost to baseline pay can trigger unintended consequences on the workers it is meant to benefit, according to new research by Masha Shunko, an associate professor of operations management and Michael G. Foster Endowed Fellow.

Her analysis of a national retail chain finds that an increase in the minimum wage can actually harm employees who find themselves working fewer hours, qualifying for fewer benefits and managing schedules that are less consistent and predictable.

“People often assume that a higher minimum wage means that workers get more money. But that assumes that nothing else changes in terms of employment, hours and scheduling,” says Dr. Shunko. “We show empirical evidence that a raise in the minimum wage leads to changes in company’s workforce scheduling practices that reduce labor costs but are detrimental to workers’ welfare.”

She adds that changes to a minimum wage should be carefully calibrated, and coupled with support to companies facing an extra economic burden. ■



CORRECTIVE LENS

Blue-light-filtering glasses improve sleep and performance at work the next day

Do you feel like you might be getting too much screen time these days? During the pandemic, many of us have overdosed on nighttime doom-scrolling, Zoom-gazing and Netflix-binging—behavior that makes it more difficult to get a good night's sleep.

The technology we take for granted in everyday work and life—smartphones, tablets, computers—emits blue light, a particular wavelength on the visible spectrum that disrupts sleep cycles when absorbed too close to bedtime.

But wearing glasses that filter out blue light can lead to sounder sleep and a more productive workday, according to new research co-authored by Christopher Barnes, a professor of management and Evert McCabe Endowed Fellow at the Foster School.

“Blue-light-filtering glasses create a form of physiological darkness, improving both sleep quantity and quality,” says Barnes. “Better sleep leads to improved productivity, engagement and social behavior at work, and reduces counterproductive and unethical behaviors.”

The study also indicates that night owls benefit most from wearing blue-light-filtering glasses in the evening because they experience the greatest misalignment between internal clock and work schedule and are most likely to start the workday a bit groggy. ■



SHIFTING MANDATE

CEOs ignore shareholder demand for corporate social responsibility at their own peril

Capitalism is built on the bedrock belief that shareholders value profit above all else. But the times may be 'a changing.

In today's economy, shareholders are more likely than ever before to demand that corporate leaders improve diversity efforts, promote ethical products, reduce their environmental footprint and speak out on political issues.

And CEOs have reason to fear the wrath of shareholder discontent over a range of social issues, according to new research by Abhinav Gupta, an associate professor of management and Michael G. Foster Endowed Fellow.

He and his co-authors discovered that CEOs who run afoul of shareholders on social issues are more likely to get fired or hit with compensation penalties than those who cross shareholders over decisions of strategy or governance that threaten their personal wealth. (Surprisingly, those profit-oriented concerns have little effect on whether a CEO gets docked or dismissed).

While there are many established financial metrics to judge a CEO's effectiveness at maximizing wealth, Gupta explains, “shareholder unrest focused on social issues is new information for a board of directors, which may fear that the company is at risk of suffering negative press and reputational damage.” ■



UNDISCLOSED INVESTIGATIONS

Insiders trade on confidential SEC corporate probes

Most corporate investigations by the US Securities and Exchange Commission (SEC) unfold in secrecy—their proceedings privy only to the investigators, the firms' senior executives and their attorneys.

A study by Phillip Quinn, an associate professor of accounting and Lane A. Daley Endowed Fellow at Foster, reveals that corporate insiders often exploit the undisclosed nature of these investigations for personal gain—or to protect against personal loss.

Quinn and his co-authors analyzed recently declassified data from nearly 13,000 SEC investigations closed between 2000 and 2018. Only 19 percent of these investigations were initially disclosed to the public.

The researchers noted no evidence of abnormal trading around the opening of an SEC probe of the average non-disclosing firm. But they found a pronounced spike in insider selling among firms with investigations that subsequently led to a restatement or enforcement—actions that have a material effect on the future value of a firm.

“Moreover,” Quinn says, “we find that abnormal selloff at the outset of the investigation allows insiders to avoid significant losses.”

In other words, executives dump shares before anyone else gets wind that there is something amiss for the SEC to discover. ■

GO (VIRTUAL) TEAM!

Work relationships are hard to build on Zoom—unless you pick up on colleagues' nonverbal cues



Where would we be without Zoom? Or Teams or Webex or Slack? Videoconferencing platforms such as these have been the salvation of myriad businesses forced into distributed work environments by a pandemic that has raged for nearly two years.

But there are limits to remote collaboration.

Producing collegial bonds is a big one, according to a study by Xiao-Ping Chen, the Philip M. Condit Endowed Chair in Business Administration at the Foster School.

Chen's study confirms that workers are far less effective at building relationships when they primarily communicate with colleagues virtually rather than in person. This deficiency in relationship-building can result in poorer team coordination, efficiency and productivity.

But she and her co-authors also find that people who focus on colleagues' nonverbal communication cues or try harder to listen attentively when meeting online are less likely to see any change in the quality of their work relationships.

"In fact," Chen says, "we found that when these two communication behaviors

were present, video calls were comparable to meeting face-to-face in promoting team efficiency and even more effective in coordinating team activities."

The relationship business

Relationship-building is a known key to improving team outcomes—and even more important when employees are communicating over Internet video. But it's also more difficult.

Since the COVID-19 pandemic began in winter of 2020, when nearly every office worker began working from home, many companies and employees have complained about the drawbacks of remote work, such as declines in innovation and a lack of social connection.

Nearly two years into the pandemic, tens of millions of American employees are still telecommuting full- or part-time.

To understand the impact of virtual work on workplace relationships, Chen collaborated with Nancy Buchan of the University of South Carolina and Wendi Adair of the University of Waterloo.

The researchers surveyed 324 employees of US firms who had conducted the vast majority of meetings in person before COVID-19 hit, but had since

switched almost exclusively to videoconferencing. Each participant was queried about work relationships, communication behaviors when working in person versus over the web, and the performance of their unit before and during the pandemic.

Several clear patterns emerged.

A failure to communicate (fully)

Participants in the study reported a sharp deterioration in their work relationships after more of their communications were conducted via videoconferencing during the pandemic. Virtual meetings made them three times less effective at building relationships.

Why? The same participants reported that it was harder to understand their coworkers' nonverbal cues (gestures and facial expressions) and to listen intently to what others were saying during virtual meetings, compared to in-person communications.

Without these two crucial elements, Chen explains, the positive effects of relationship-building—such as coordination and efficiency—were tough to establish.

She notes that this is especially true in "low-context" cultures (such as the US), where people tend to communicate in direct, explicit language and may be less able to discern subtle messages conveyed through expressions and intonations.

Look and listen actively

The COVID-19 pandemic will not last forever. But a recent survey indicates that two-thirds of American workers say they'd like to continue working remotely at least some of the time even after it finally ends. So, there's a clear need to find ways to improve the virtual work experience for the long term.

"At the cognitive level, it will be important for managers to be aware of the importance in paying attention to people's nonverbal cues when they speak in the Zoom setting, even though only the



BETTER CONNECT

Xiao-Ping Chen's tips to foster relationship-building in a virtual work setting

Break the ice – Allow five minutes for team members to talk casually (about anything but work) before getting to the agenda—and certainly before sharing PowerPoint or other documents on the screen.

Focus on faces – Present using multiple screens, if possible, so that one remains dedicated to displaying the faces of meeting participants while the other shares documents.

Listen carefully – Encourage meeting participants to wear headphones or earbuds, which enable closer scrutiny of colleagues' tone and pitch of voice.

upper body and face are visible," Chen says. "Engaged listening is also crucial to capturing cues outside of the message itself, such as tone and pitch of voice."

"Our findings suggest that companies and workers could offset some of the downsides of collaborating remotely, which could pay dividends in the post-pandemic world." ■

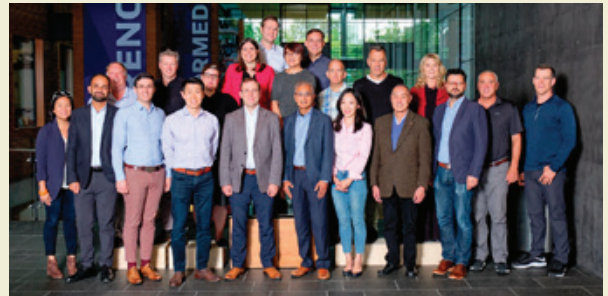
RIGOR + RELEVANCE

Foster maintains a lofty position in research rankings across disciplines

The Foster faculty is ranked #4 in the world, #3 in the United States and #1 among public business schools in the *Financial Times* annual index of research productivity.

The index, a factor in FT's 2021 Global MBA Rankings, tallies the number of research papers by each b-school's research faculty that were published in the top 50 academic and practitioner journals, representing every business discipline, between January 2018 and July 2020.

Foster's faculty has been listed among the world's top 25 in research every year since FT began tracking scholarly output in 2014. It has averaged #5.4 in the world over the past five rankings.



Foster's Department of Management and Organization in 2019.

Bench strength

This overall ranking is a product of research strength that runs across academic departments. Here's how Foster fares in discipline rankings based on publication rates over the past five years:

#3 in management – *Management Department Productivity Ranking*

#10 in accounting – *BYU Accounting Rankings*

#11 in marketing – *Top 100 Business School Research Rankings*

#20 in finance – *Academic Ranking of World Universities*

#21 in information systems/operations management – *Top 100 Business School Research Rankings*

Top one-percenters

A recent Stanford University study recognized seven Foster faculty among the top one percent of the world's most-cited researchers, across all scientific disciplines. Two others are in the top 1.5 percent.

This new index of scholarly influence was created by analyzing 25 years of citations on the research of nearly 7 million scientists who have published at least five papers in any of 22 major scientific disciplines.

Among the top 1.5 percent of researchers are Bruce Avolio, Suresh Kotha, Charles Hill, Terence Mitchell, Thomas Jones and Xiao-Ping Chen from Foster's Department of Management and Organization; Jonathan Karpoff and Jarrad Harford from the Department of Finance and Business Economics; and Robert Palmatier from the Department of Marketing and International Business. ■

CLASS OF 2021

Meet the Foster School's six new full-time faculty members

The Foster School welcomed six new faculty members this fall. Each brings a wealth of expertise and accomplishments—and even greater promise. Here's a closer look.

Charles Donovan

Visiting Professor of Finance and Business Economics

Earned his PhD from the IE Business School in Madrid • joins Foster from Imperial College London, where he was executive director of the Centre for Climate Finance and Investment and academic director of the MS in Climate Change, Management and Finance • academic council co-chair of the Coalition for Climate Resilient Investing • co-founder of Cleandrone • studies corporate finance, corporate venturing, risk management, sustainability and climate tech • teaching Introduction to Sustainable Finance and Climate Change and the Capital Markets at Foster • *Fun fact: once spent a month in a Zen Buddhist monastery.*

Jennifer DeWhitt Graves

Assistant Teaching Professor of Operations Management

Earned her MBA from Harvard • previously a part-time lecturer of finance and operations at Foster • co-founder of Montlake Consulting Group • former principal at Keystone Strategy, senior program manager at Starbucks, case team leader at Bain & Company • teaching Personal Finance, Operations Management, Statistics for Business, and Project Management at Foster • *Fun fact: is the author and illustrator of a children's book entitled Jervis the Best.*

Lee Hochberg

Assistant Teaching Professor of Marketing and International Business

Earned his MA in communication at Stanford University • has been a part-time lecturer of business communications at Foster since 2008 • 25-year veteran reporter and producer for the PBS Newshour • has won an Emmy Award, George Foster Peabody Award, American Religious Broadcasters Award and Corporation for Public Broadcasting Award • teaching Business Communications and

Public Speaking at Foster • *Fun fact: still drives the same 1983 Volvo 240 he bought when he moved to Seattle in 1983 (it now has 440,000 miles and looks great).*

Jordan Nickerson

Assistant Professor of Finance and Business Economics

Earned his PhD at the University of Texas at Austin • previously a visiting professor of finance at MIT and an assistant professor of finance at Boston College • studies corporate finance, executive compensation, structured finance, credit ratings and household finance • winner of the Rising Scholar Award from the *Review of Financial Studies* • Teaching Star at Boston College Carroll School of Management • teaching Introduction to Finance at Foster • *Fun fact: almost certainly is from a smaller city than you.*

Esther Uduehi

Assistant Professor of Marketing

Earned her PhD from the Wharton School at the University of Pennsylvania • studied nature, society and environmental policy as a Rhodes Scholar at Oxford University • served on Emerging Leaders Council of the Local Initiatives Support Corporation • recipient of the Eli Jones Promising Scholar Award, the Best Working Paper Award from the Association for Consumer Research and the Valuing Diversity Award from the American Marketing Association • studies diversity, stigma, branding, identity, consumer behavior and emotions • teaching Marketing Concepts at Foster • *Fun fact: dreams of being a television writer.*

Matthew Van Winkle

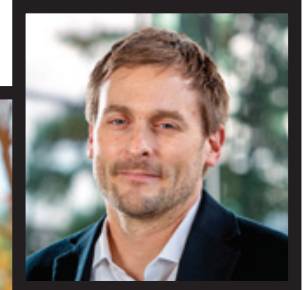
Associate Teaching Professor of Accounting Director of the Master of Public Accounting Program (MPAcc)

Earned his PhD from the University of Michigan • most recently a portfolio manager

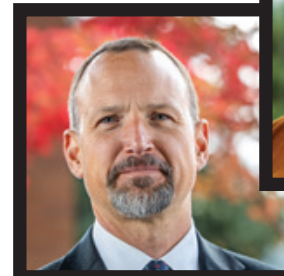
at Empery Capital Partners • founder, principal and director of research at Voyant Capital • studies valuation, financial statement analysis, ESG (environment, social and governance), portfolio risk management • teaching Fundamentals of Management Accounting, Advanced Financial Statement Analysis and Accounting, Audit and Assurance Regulation at Foster • *Fun fact: spent most of his career looking for frauds as a short seller.* ■



Jennifer DeWhitt Graves



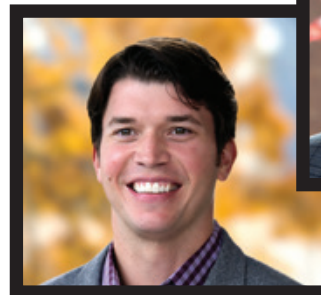
Matthew Van Winkle



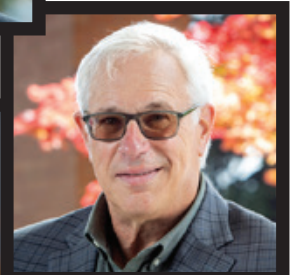
Charles Donovan



Esther Uduehi



Jordan Nickerson



Lee Hochberg

TRIPLE CROWN!

Mark Hillier wins his third PACCAR Award for Excellence in Teaching



Some things never go out of style.

Like Legos. And action figures. And Mark Hillier.

Hillier, the affable professor of quantitative methods at the UW Foster School of Business, has long deployed both multi-colored plastic bricks and his own “Professor Hillier Action Figure” to simplify the most complex concepts covered in his courses.

In this pandemic year, though, he also worked obsessively on remote learning innovations to translate his timeless lessons for the Zoom environment.

This real-time melding of proven and experimental methodology earned Hillier the 2021 PACCAR Award for Excellence in Teaching. It's his third time winning the Foster School's highest teaching honor, which was established in 1998 by PACCAR Inc, the Fortune 200 global technology company based in Bellevue, Washington.

Old bricks, new tricks

Hillier, who joined Foster in 1993, has distinguished himself with impactful research in operations optimization and his blockbuster textbook, *Introduction to Management Science*. While his outstanding teaching had previously achieved the PACCAR Award in 2007 and 2013, his latest prize was perhaps the hardest earned.

Online learning made Hillier rethink the way he had taught his signature courses in Decision Modeling and Modeling with Spreadsheets.

“I tried to view the switch to remote teaching as an opportunity, as it gave me a chance to reevaluate *how* I teach,” he says. “I made some significant changes.”

To wit, he beefed up class prep for students, delivering curated materials before each session that laid out a clear instructional guide to follow, plus learning objectives, practice quizzes and discussion boards. He also moved much of his traditional lecture material to a suite of short, carefully edited videos that served as asynchronous preludes to greater engagement during each synchronous session.

“I must have recorded a hundred of these over the last year,” Hillier says. “This allowed me to make better use of our live class time over Zoom in interactive activities, discussions and hands-on exercises.”

Those include the one with Legos, which introduce the concept of linear programming in the milieu of a furniture manufacturer seeking to optimize resources. And the one featuring his eponymous action figure—a gift from adoring students many classes ago—which embodies a marketing decision-making problem.

Simplifying the complex

In nominating Hillier for the award, contemporary Foster MBAs gushed about his sense of fun, enthusiasm, dedication and—perhaps most importantly in this aberration of a school year—organization and clarity.

As one student noted, Hillier “went above and beyond to make remote learning successful. I was impressed by how much he cared about making sure that students had the resources they need to succeed.” ■

WILL POST FOR PROFIT

Justin Blaney wrote the book on influencer marketing



Social media influencing has become a multi-billion-dollar industry, with top influencers drawing millions of followers and even nano-influencers connecting with loyal niche communities.

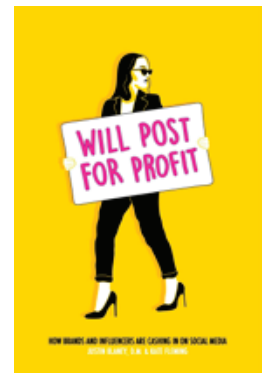
How do businesses successfully harness this powerful new marketing channel?

Justin Blaney, an affiliate instructor of marketing at Foster, author and influencer in his own right, decided to write a book that he could use in his Foster course on influencer marketing. The result is *Will Post for Profit: How Brands and Influencers are Cashing in on Social Media*.

The book speaks to both sides of the equation: influencers who want to learn how to make money and brands who want to profit from their influence.

“Working through influencers to reach a target market is not only becoming one of the only ways we can reach people, but it's also incredibly effective because it harnesses the high level of trust between the individual following and the influencer in a way that simulates a friendship relationship,” says Blaney. “Influencer marketing is going to continue to grow and become a major part of the marketing mix.” ■

— Renate Kroll



EXCELLENCE X 4

Quartet of Foster faculty and staff honored by the UW for exemplary leadership



Dean Frank Hodge with awardees Ronda Rutherford, Michael Verchot, Terry Mitchell and Weili Ge



It is said that good things come in threes. But sometimes, they come in fours.

Beatles, for instance. Ghostbusters. Rushmore presidents. Gospels. Seasons. Intrepid travelers to Oz. Golden Girls. Little Women. Teenage Mutant Ninja Turtles. French ovens. Quadrangles. Classic elements. Cardinal directions.

Now, to this illustrious list, we can add the quartet of Foster School of Business faculty and staff who were honored with UW Excellence Awards this year.

Ronda Rutherford, program and office manager at the Global Business Center, received the UW's Together We Will Award (for distinguished staff contributions). Weili Ge, the Moss Adams Endowed Professor of Accounting, earned the UW Distinguished Teaching Award. Michael Verchot (MBA 1995), founding director of the Consulting and Business Development Center, received the David Thorud Leadership Award. And Terry Mitchell, professor emeritus of manage-

ment, won the Distinguished Retiree Excellence in Community Service Award.

"It's truly unique to have the Foster School community awarded in every single category of UW Excellence Awards," says Dean Frank Hodge. "Ronda, Weili, Michael and Terry are great examples of how the Foster School community is fostering leadership to better humanity."

Grassroots DEI

Ronda Rutherford (BA 2008) had a pretty busy year working her Foster School day jobs. That's right, *jobs*—plural. She split her considerable talents between her



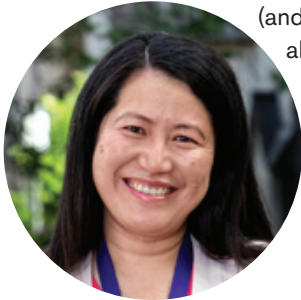
hired position at the Global Business Center and an emergency deployment as fiscal manager for Foster's Advancement team.

But amid this bustling, bilateral schedule, Rutherford also took it upon herself to build community at Foster in a year with precious little in-person contact. Moved by the raw exposure of racial injustice around the country, she formed a grassroots community of practice (CoP) at Foster around diversity, equity and inclusion (DEI). This has galvanized the school, advanced its mission, and become a popular, powerful space for discussion, education, connection and action.

Rutherford's "extracurricular" leadership has built an active CoP membership of 75+ faculty, staff and doctoral students. In collaboration with like-minded colleagues, she launched a DEI book club, contributed to a monthly DEI digest that educates and celebrates, convened a student subcommittee to shape student programming, and designed a 21-Day Race and Equity Challenge that engaged 125 people from across the Foster community in daily education, reflection and conversation around race and social justice.

Magnetic teaching

You'd be forgiven for stargazing at Weili Ge's research credentials alone. A prolific figure in the Department of Accounting since 2006, Ge is a powerhouse scholar—listed #125 among the most productive researchers in the field of financial accounting over the past 30 years



(and #264 among all accounting scholars over the same period) in the annual BYU Accounting Rankings.

Her work has sharpened our ability to predict accounting misstatements and financial fraud, demystified the determinants and consequences of earnings quality, and examined internal control over financial reporting.

It happens that Ge is equally expert at *teaching* financial accounting, as she does at every level of the Foster School.

She leads her classes with passion and uses real-world cases to bring the subject alive. And she is known for being approachable, responsive and encouraging—for caring deeply about her students. And their praise for her is rapturous.

“Weili’s power to induce comfort, extend embrace and suspend judgment,” noted one student, “can only be derived authentically and without incentive.”

This authenticity has earned her many accolades, including an Outstanding Service Award from the American Accounting Association (2013) and the Foster School’s PhD Program Faculty Mentor Award (2020), Dean’s Excellence Award for Graduate Teaching (2016), Ron Crockett Award for Undergraduate Teaching (2013), William A. and Helen I. Fowler Award for Special Achievement in Accounting (2011) and five Evening MBA Professor of the Year awards.

Ascending small business

Every one of the past 26 years has been momentous for Michael Verchot (MBA 1995) and the Consulting and Business Development Center, which he co-founded to accelerate the careers of students and

the growth of small businesses owned by people of color, women, veterans and LGBTQ+ entrepreneurs.

Its impact has been remarkable. Through the work of student consulting teams and faculty-led management education, the CBDC has helped small businesses across the state of Washington generate more than \$250 million in new revenue—at an annual growth rate more than double the state average—and create or retain more than 225,000 jobs since its founding.

In 2016, Verchot and the center spun their proven M³ Model—growing businesses owned by people of color by providing access to management education, money and markets—into the nationwide Ascend program, in partnership with JPMorgan Chase.

But 2020-2021 was like no other. When the pandemic hit, Verchot shifted the center from spurring growth to catalyzing survival and recovery.

His team helped the center’s network of client businesses weather the pandemic, rallied Foster faculty to deliver pertinent



online workshops, and deployed an army of students and mentors to produce a play-book to recovery and sustainable growth available to small businesses across the 15-city Ascend network.

He also closed an \$8 million investment from JPMorgan Chase to expand the Ascend network and supercharge the growth of 500 small businesses owned by people of color.

Verchot would deflect much of the credit to his team. But these events—and the Thorud Award—are testament to his innovative vision, endless energy, boundless dedication and inclusive leadership.

Activist retirement

Terry Mitchell certainly has earned the right to kick up his feet after a Foster School career that spanned a half-century of passionate teaching, dedicated service, sage mentoring and extraordinarily influential research.

An Academy of Management Lifetime Achievement Award honoree, Mitchell’s nearly 150 research



papers and books published since 1969 have delivered groundbreaking insights on leadership, motivation, decision making and

employee turnover. He has been ranked the #18 most influential scholar of all time in the field of industrial and organizational psychology, #23 most influential in organizational behavior, #60 most influential in human resources and #75 most influential among all of the management disciplines. And he has amplified this impact through a stint as “activist” director of the Foster School’s PhD Program and many years fostering generations of doctoral students to their own successful careers.

So, has emeritus status finally delivered a well-deserved break? Not exactly.

Mitchell has met retirement with characteristic industry and verve. He remains a top-performing researcher, continually collaborating with colleagues and doctoral students.

And he has devoted himself—and all of his powers—to furthering environmental health and conservation as a super-volunteer at three animal conservation organizations: the Woodland Park Zoo, the Hawaiian Islands Humpback Whale National Marine Sanctuary and the Alligator River Wildlife Refuge in North Carolina. ■

AMZN-G SCHOLAR

Michael Wagner's operations expertise helps Amazon deliver



The COVID-19 pandemic devastated some companies and disrupted most others.

For Amazon, though, it ignited an unabated boom in business, from cloud computing to enterprise hosting to digital streaming. Most visibly, the Seattle-based tech and retail giant raced to keep up with the tsunami of orders from quarantining customers who either couldn't or wouldn't go into physical stores to purchase necessities.

So, the timing was pretty optimal for Michael Wagner to become an Amazon Scholar in mid-2020.



Wagner, an associate professor of operations management at the Foster School, worked on modeling the best way to efficiently utilize Amazon's legion of contract delivery drivers.

A-team scholars

The Amazon Scholars program employs leading academics to apply their research methods toward solving the company's large-scale technical challenges, while allowing them to continue to teach and conduct research at their universities.

These scholars bring expertise in artificial intelligence, avionics, computer vision, data science, economics, machine learning, natural language processing, quantum computing, robotics... and optimization, which is the particular domain of Wagner, a Neal and Jan Dempsey Endowed Faculty Fellow at Foster.

Goldilocks gigs

It was a particular work of optimization by Wagner that caught Amazon's eye.

One paper, with recent Foster PhD Program grad Soraya "Nadia" Fatehi (PhD 2020), proposed a model for the most efficient way to get "last-mile" deliveries to customers inside guaranteed windows of time.

The study was motivated by Amazon Flex, the program that employs gig workers (non-professional drivers, in this case) to make local deliveries.

The practice, Wagner says, presents an incredibly complex logistical challenge: to minimize the cost of delivering packages—factoring in traffic patterns, on-site delivery times, driver availability, seasonality and trends in customer orders—while keeping good drivers happy enough to keep coming back for more work.

Wagner and Fatehi built a robust scheduling model for assigning the optimal amount of work to contractors. The idea is to achieve a "Goldilocks zone" of the *just right* volume of deliveries to leave drivers

neither over- nor under-stressed, allowing them to reach customers on schedule without experiencing undo idle time (which leads to lower earnings and eventual attrition).

Theory to action

Such considerations are very real for Amazon's Flex division, which crowdsources fast deliveries for Whole Foods, Amazon Fresh and Prime Same Day. Each business experienced a spike in orders once the pandemic began. And each competes for contract couriers against rival gig-economy players such as Uber, Postmates, DoorDash and Instacart.

"You want to minimize costs, of course," Wagner says. "But these are gig workers, not employees. You can't tell them what to do. You have to keep them happy. You want Flex to be the gig of choice."

So, Wagner customized an optimization model for Flex using real-time, real-world data, and then worked with software developers to help implement and fine-tune it this year.

Thrill of the delivery

Compared to one-off academic research projects or even consulting work he had done, Wagner's association with Amazon has felt pretty comprehensive—a rare engagement for a scholar accustomed to working alone with theoretical models and limited data sets.

He has appreciated this golden chance to see how the models he creates and concepts he teaches are applied by the best in the business.

"Amazon is the state of the art," Wagner says. "It's extremely valuable to experience how things are actually done at a company that's probably the world leader in supply chain management and machine learning and optimization."

"And learning how a research model gets implemented to create actual value for customers is very satisfying." ■

BEYOND ANIMALS

Elaine Siu has gone from creating a company to building revolutionary industries

Elaine Siu (MS 2019) didn't set out to become an industry builder.

She began her career in corporate law, then founded an online cruelty-free beauty company—a kind of “vegan Sephora”—as a means to an end.

“I was only interested in starting a business because I believed that’s the most effective form of activism,” she says. “I cared mostly about the measurable impact my business was creating towards the changes I wanted to see in the world, and cared way too little about, you know, the business!”

After shuttering her e-shop in 2017, Siu earned her MS in Entrepreneurship at Foster, then brought the full force of her business acumen and entrepreneurial drive to Good Food Institute (GFI).

“I joined GFI despite the fact that it’s a nonprofit, not because of it,” says Siu, who was hired to found GFI’s Asia Pacific organization. “I was 100 percent a corporate animal turned startup wannabe, and my perception of nonprofit was still stuck in that outdated image of a ‘charity’ and the stigma of inefficiency.

“But the most valuable thing I learned in MS Entre is that there’s more than one way to be an entrepreneur...”

Alternative proteins

Indeed, the nonprofits spun out of the effective altruism movement are very different from what Siu had expected. Such organizations apply evidence-based solutions to the world’s most pressing problems.

GFI’s target is industrial animal agriculture, which contributes to climate change, environmental degradation and public health threats.

Leading GFI Asia Pacific, Siu worked behind the scenes to create an entirely new industry by stimulating cutting-edge research and supporting entrepreneurs as they develop the teams, technology, investment, collaborators and strategies to bring new alternative proteins to the marketplace.

And that’s exactly what is happening. GFI’s work has sparked a 1,200 percent increase in the number of companies and organizations working in this space. Plant-based food, cultivated meat and fermentation companies have raised billions of dollars in venture capital in the past decade and are grabbing an increasing share of the world’s dinner plate.

“If someone had told me a few years ago that we could create a paradigm shift in the world by building a new industry through a nonprofit startup, I’d have said they were crazy,” says Siu. “What we’ve experienced in building and accelerating the alternative proteins industry is simply beyond our wildest dreams.”

Material difference

With one alternative industry taking off, Siu felt it was time to challenge the status quo of another incumbent.

In early 2021 she became chief innovation officer of the Material Innovation Initiative (MII), which is spurring



development of new ventures that replace animal-sourced materials like leather, silk, wool, fur, down and exotic skins with more sustainable and humane high-performance alternatives for the fashion, automotive and home good markets.

She feels that her experience with GFI and MII is creating a kind of playbook for launching new and sustainable industries.

It begins with grooming breakthrough companies and impact investors, then brokering corporate engagement and spurring research funding, then lobbying government to enact policies that create a level playing field for the new industry to compete in.

“An effective nonprofit can be the industry builder and dealmaker to create change in the world,” Siu says. “Now that we’ve done it once, I’m confident that we can replicate that successful formula and apply it again and again.” ■



Elaine Siu has published her first book—*Your Next 40,000 Hours: Falling into an Illuminating Second Career*—in hopes of inspiring more mid-career professionals to shift into purpose-driven, high-impact jobs in order to make a positive difference in the world.

THE DAWGS OF DIGITAL CURRENCY

Foster alumni and advisor demystify cryptocurrency for institutional and everyday investors

Cryptocurrency arrived on the scene more than a decade ago. But a group of alumni and supporters of the UW Foster School of Business stand ready to deliver on this promise: It's not too late to be early.

"Three years ago, the conversations were always, 'I don't really get cryptocurrency, it's confusing,'" says Sadie Raney (MBA 2014). "Now the questions are about how to invest and who to trust. That matches what we've built."

Raney and her co-founders sought a way to address the complicated nature of crypto. First, they launched the enterprise trading and management platform Strix Leviathan in early 2018 with a focus on institutional investors. Three years later, members of this same core group launched Makara, an automated online crypto advisor and mobile app for casual investors.

"We created a huge advantage for ourselves through the software platform we built in-house, and it's evident in the Strix Leviathan fund performance and now with the launch of Makara," says Raney.

Before they could build out these innovative solutions however, they first had to navigate the challenges of the space and gather a team ready to adjust on the fly. What they didn't fully realize was the role the University of Washington would play.

Buy the ticket, take the ride

Think of the rise of cryptocurrency as if it were a Christopher Nolan time-hopping movie—exciting, yes, but also challenging to understand exactly what you just saw. The MacGuffin is blockchain, a database that keeps secure records of transactions. The deeply technical and mysteriously founded Bitcoin plays the role of chief protagonist. Over time, thousands of other digital assets arrive on scene.

Enter Jesse Proudman—a board member and mentor of the Foster School's Buerk Center for Entrepreneurship. "Investing in this asset class is akin to



The UW/Foster core of Strix Leviathan and Makara: Liz Fong, Nick White, Matt Heater, Sadie Raney and Jesse Proudman.

early-stage technology investments," says Proudman. "The huge difference is that these markets are open to everyone."

His interest in crypto preceded the co-founding of Strix Leviathan with Raney, who would later serve as CEO, and the co-founding of Makara. Proudman believed crypto was in the same place the Internet was in the mid-1990s. Raney, who worked with Proudman at his cloud computing startup Blue Box, said the early nature of the space made it tougher for their potential to be recognized.

Taming the Wild West

"When we got into crypto it really was the Wild West. So many people looked at us sideways and said, *you're doing what?*" says Raney. "But from the get-go, we've done things the way that Foster teaches you to do it. You set up a business, a structure, and we're compliant."

The benefit of that education extends to fellow Foster grad Matt Heater (MBA 2013) who leads the business

development and investor relation functions at Strix Leviathan. "Foster was a tremendous place to develop the skills to work in Seattle and operate in the startup environment," says Heater. "Some of the most innovative and successful businesses in the world have come from this region."

Heater says the unique software platform that serves as the basis for Strix Leviathan made the launch of Makara a "natural extension" of what they were already doing. "We've taken advantage of years of development to roll out a product in rapid fashion that is here today for the average investor to use. Makara couples perfectly with Strix Leviathan. It's a beautiful pairing."

Timing the market

Timing, however, would also prove to be an early obstacle for both startups.

Proudman and Raney built Strix Leviathan after IBM acquired Blue Box in 2015. At that point in its history, Bitcoin (and cryptocurrency in general) was just six

years old. For two straight years (beginning in December 2013) Bitcoin valuation had slumped from a then all-time high of \$1,156 to just \$315. It bounced back with a fury until December 2017. Over the next year, it would again plummet 84% in value, taking most of the market with it. Strix Leviathan launched a few months into that dip with its first seed round of \$1.625 million and has only grown since.

"The 2017–2018 market cycle for cryptocurrencies was an existential moment for this asset class," says Proudman. "We are now beyond the question of *if* this asset class has a place in the future of the world."

However, in a bit of irony, Makara would face a similar launch environment. On April 13, 2021, Bitcoin hit another all-time high of \$63,588. Less than two months later, Makara went live, and Bitcoin sat at \$36,000.

Still, that dip wouldn't last (Bitcoin once again topped \$50,000 in August), nor would it stop rapid growth around the world.

Not too late to be early

Global cryptocurrency adoption skyrocketed (up 880%) from Q2 of 2019 to summer 2021. The SEC, Congress and the White House all declared, for better or worse, that regulation would come to the space. Countries in South America and Africa embraced crypto alongside fiat as currency. Meanwhile, expertise in the space became a premium. Walmart recently emerged as another example from the list of Fortune 500 companies looking to hire crypto experts.

"The crypto space and everything we are doing within the Strix Leviathan and Makara entities is just rapid fire. There are so many opportunities," says Nico Cordero, the chief investment officer at Strix and co-founder of Makara, who earned a finance degree at UW-Tacoma. "Crypto is such a multi-disciplinary space, from cryptography to financial markets to financial history to technical security. It's a lot for someone who has a full-time job and isn't focused on this space."



Behnam Norouzi on Unsplash

So, Makara utilizes thematic baskets—a way for people to invest intelligently without being overwhelmed by the size and complexity of the crypto world.

"The metaphor that we're going for with Makara is that we're serving as a coach for people," says Nick White (MBA 2012), another Foster grad who serves as Makara's vice president of growth. "Whatever direction people want to go, we want to offer them a path."

The startup isn't just educating those outside the company, but within as well. Financial controller Amy Van Groningen (Certificate of Accounting 2019) helps manage the books for Strix and Makara. "It's packaging in a way where I can digest it," she says. "In the past, when I tried to learn about cryptocurrency, it was by reading long articles or watching 50-minute-long videos."

Van Groningen worked with both Raney and Proudman at Bluebox and says it was a no-brainer to join them again at Strix and Makara, alongside UW political science graduate Liz Fong (BS 2003) who was there at the beginning. It's a sentiment held across the board. Two teams connected through product and shared experiences inside and out of Foster and UW.

"Everyone is smart here. Everyone is high energy. Everyone is kind," says White. "Put those things together and you get a really great company culture that also gets stuff done." ■

— Charles Trillingham

CRYPTOCURRENCY: A GLOSSARY OF TERMS

Airdrop – A free distribution of coins from a new asset not yet on exchanges.

Altcoin – Any coin that's not Bitcoin.

Cold Wallet – A hardware or offline wallet that stores cryptocurrency that cannot be compromised.

DCA (Dollar Cost Averaging) – Investing an equal or steady amount of money on a regular basis.

Decentralized – A form of crypto finance that is meant to exist outside the control of governments and traditional financial authorities.

Diamond Hands – Popularized on Reddit, this is a rallying cry to not sell in order to drive up the price of an asset.

Fork – When the users of a blockchain change its rules, causing two new paths (i.e. Bitcoin + Bitcoin Cash).

FUD (Fear, Uncertainty, Doubt) – Commonly used phrase to describe any news that could impact cryptocurrency negatively.

HODL – Holding a coin/token no matter what.

NFT (Non-Fungible Token) – Tokens of value assigned to a unique digital item like art or collectibles.

Paper Hands – Popularized online, this is an investor who sells at first sign of profit or trouble.

Smart Contract – Programs stored on blockchain that execute an agreement with certainty of the outcome.

Stablecoin – An asset that ties its value to a non-digital currency or commodity like the US dollar.

To the Moon – Popularized on Reddit, this is a declaration of belief that an asset is going to grow 10x or 100x.

SURVIVOR STORY

With creativity and resilience, **Earl Cole** has triumphed over life's challenges again and again



Daniel Oh

Even endowed, as he is, with wisdom from a lifetime of entrepreneurial hits and near misses, resilience from outlasting a debilitating childhood disorder, and the afterglow of a stretch of genuine celebrity, Earl Cole (BA 1992) is not so presumptuous as to think he can reinvent the wheel.

But he *is* reimagining it. The SMART Tire Company, his latest creation in a long line of ventures, is adapting NASA technology to liberate the rolling masses from the inevitable fallibility of rubber tires filled with air.

"Nobody can reinvent the wheel," says Cole. "But you can think about it differently. For over 150 years, we've traveled on rubber tires around a pneumatic innertube

on a metal rim. What we're doing now is going to blow people's minds."

Childhood challenge

As a kid in Kansas City, Cole didn't seem destined to blow anyone's mind. He was diagnosed at age 7 with Legg-Calve-Perthes Disease, a rare degenerative disorder of the hip joint that confined him to physiotherapy, braces and wheelchairs—and the sidelines of childhood.

But he responded with a kind of creative resilience. Instead of running courts and playfields, he developed a deep love of music, and studied piano, violin and saxophone at a performing arts high school. Instead of riding bikes, he ventured

into business. "I didn't think of myself as an entrepreneur," Cole says. "I just did a lot of creative things on the side."

For instance, he turned his access to an early Apple computer into a business selling customized prints of cartoon characters as décor for his tween customers' notebook covers.

In time, Cole came to realize the value of the unique challenges he faced. "When I was young, I felt my disorder was taking something away from me," he says. "But it was actually *giving* me something to prepare for later."

Namely superpowers of listening and observing.

Entertainment tonight

Cole moved to Seattle to pursue a music career and attend the University of Washington. He studied marketing and played in the UW Jazz Ensemble and a rock and soul band. He also produced local musicians. But when his recordings were destroyed in a studio fire, he decided to take his UW degree and seek a more stable career path in the entertainment industry.

That brought Cole to Los Angeles to work for the Walt Disney Company's feature animation business (with a memorable first day: the launch party for Toy Story on DVD). After Disney came stints at Sony and Fox. Then he ventured into advertising with Muse Communications, leading its blockbuster Honda account.

The musical side hustles continued, of course. Cole produced music for a few TV shows and ventured into online music publishing. And he launched a short-lived company that connected fans directly to artists—a too-soon precursor of today's Cameo app.

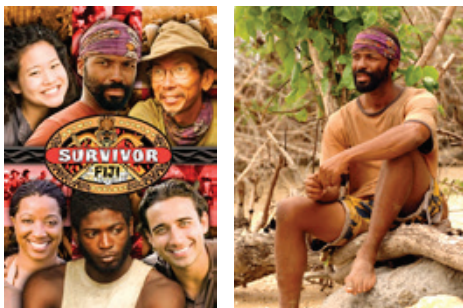
Outwit, outplay, outlast

In 2007, Cole and his girlfriend (now wife) were eating at a Santa Monica restaurant when a casting director offered them a spot on the reality competition show *The Amazing Race*.

His date shot down the proposal on the spot. But the director took Cole's number, just in case. A week later, she called to ask if he'd like to fill a suddenly vacant spot in the cast of *Survivor*.

That was a Thursday. On Friday, Cole got a call from the show's host, Jeff Probst. On Saturday, he met with CBS executives and underwent a battery of mental, psychological and physical tests. On Sunday, with the blessings of his girlfriend and his boss at Muse, he was on a plane to Fiji.

What followed, Cole says, was even more real than it appeared on the screen. There was no shelter, no food, no bathrooms. No toilet paper, toothpaste, insect repellent or sunscreen. It was blazing hot. Starvation and dehydration were never far away. "They throw you on a deserted island with a bunch of strangers," he says, "and you have to figure it out."



Cole figured it out, alright. Despite the many challenges—and having never watched a single minute of 13 prior seasons—Cole won *Survivor: Fiji*. In fact, he was the first "Sole Survivor" to be unanimously chosen by his competitors.

This was certainly a testament to his natural charisma, strategic mind, emotional intelligence and deep supply of grit. All were honed during those interminable hours as a kid in a wheelchair.

For the kids

Cole's ensuing fame lasted considerably longer than 15 minutes. He was featured in entertainment magazines and toasted on the talk show circuit. *People* named

him one of its "Sexiest Bachelors." Style Network televised his beach wedding in Hawaii.

He also leveraged his moment to organize tours of fellow reality TV stars and musical acts to perform for US military troops stationed around the globe.

And, by now liberated by hip replacement from the chronic pain of Legg-Calve-Perthes Disease, Cole invested his clout and *Survivor* winnings into the Perthes Kids Foundation, the nonprofit organization he established "so no kid has to go through what I had to alone," he says.

What started as a small summer camp has grown into a global community, with outreach, education, events and camps on four continents.

One smart tire

In addition to leading the foundation, Cole eventually got back to business. He co-founded Particle 5 Interactive, Smush Mobile Technologies and Fanstreme Sports.

In 2020, he launched SMART Tire with longtime collaborator Brian Yennie. Having won rights to commercialize the shape-memory alloy technology that NASA has been developing for its Mars Rover program, Cole and Yennie created the METL tire.

This revolutionary tire features the elasticity of rubber but the strength of titanium—wrapped in the company's proprietary polycoating tread for grip and smooth road feel. Its flexible mesh of interwoven springs will never rust or corrode. It requires no air pressure, which means no punctures, either. It's more environmentally friendly than conventional tires and built to outlast any vehicle in our solar system.

"This technology is tough enough to work on Mars," Cole says. "It's certainly tough enough for Earth."



SMART Tire plans to debut in the bicycle market in late 2022, with sights on eventually disrupting the entire \$300 billion global tire market—which conveys everything from electric scooters to SUVs to big-rig trucks to aerospace.

Cole is tapping all of his tech and marketing experience to disrupt an industry and enliven a commodity. "Let's be honest," he says. "Tires aren't sexy. Most people barely notice them. So, we've said, let's think differently. Let's make tires cool."

Living, learning, legacy

Cole, who has brought many cool ideas to life, is embracing another new venture: education. He's mentoring students in the Foster School's MS in Entrepreneurship Program and judging Buerk Center for Entrepreneurship competitions. He certainly has a good story to impart.

"When you're in your 20s, you want the cool clothes, the cool car," he says. "In time, you realize none of that matters. I've always been a person with purpose. What can I do to turn ideas into impact? The older I get, the more I think about legacy."

Not that he's done observing, learning, creating. He's even pursuing a PhD in organizational change and leadership at USC.

"People say you can't teach an old dog new tricks," Cole says. "Yes, you can. I have an old dog. And, just the other day, I taught him to roll on his back." ■

— Ed Kromer

KING OF THE COLD CHAIN

Matt Morio keeps the temperamental supply chain for vaccines flowing to the developing world



COVID-19 vaccines have been readily available to Americans for the past year, delivering proven, potent protection to anyone who wants it.

But it's a *global* pandemic. And the only way to truly eradicate this deadly virus from our lives is to vaccinate the entire world.

That's not an easy prospect. Beyond the small task of producing sufficient doses to protect 7.9 billion people is the titanic logistical challenge of *delivering* those doses—intact—to the many billions living in lesser-developed regions around the globe.

This is the domain of Matt Morio (MBA 2003), a senior business analytics officer at PATH, the Seattle-based international health organization.

Morio specializes in supporting the “cold chain” for vaccine delivery to places lacking in infrastructure, health-care facilities, transportation stability and dependable power sources.

This is a special conundrum for the emergent COVID vaccines, whose storage requirements range from basic refrigeration to ultra-deep freezing. So, Morio has been laser-focused on advising global health organizations like the Gates Foundation, UNICEF,

the WHO and Gavi (the vaccine alliance of the world's poorest nations), as they race to deliver vaccines to the ends of the earth.

“The need for vaccinations in the developing world is urgent,” he says. “We figure out ways to deliver, no matter the circumstances. And we provide guidance on what investment is needed to get doses into those countries.”

PATH work

Morio's path to global health began in finance and shifted to sales after earning his MBA at the Foster School. A decade of sales and marketing roles for a pharmaceutical wholesaler and a medical devices company spurred his decision to take his skills into healthcare—at a global scale.

After doing some consulting for PATH, he joined the organization full-time in 2015. “In public health, there are passionate experts in the field,” he says, “but they are not *business* people. It's important to understand that the business side looks at this a little differently than the global health side, and the MBA really helped with this.”

Morio's team consults vaccine funders and providers on innovations and new tech-

nologies—particularly in the cold chain of refrigeration and transportation—and models distribution plans to populations based on every potential situation and criteria.

“The buzz term,” he says, “is ‘data for action.’ A lot of the data is flowing up rather than flowing back down to the people making decisions on the ground. We're working to empower frontline healthcare providers to use the data to make better decisions.”

Plotting logistics in the developing world demands a more nuanced reading of the possible circumstances. So pre-pandemic, Morio traveled extensively to PATH field offices in India and Africa. Seeing the situation on the ground has been essential to modeling cold chains that hold up in even the worst of conditions—floods, online deserts, intermittent power grids—faced by local healthcare providers.

Profession with purpose

Accounting for all of these factors, his team modeled over 200 scenarios for distributing COVID-19 vaccines, and is helping global health organizations discern and implement the most viable.

Removing as much friction as possible from the flow of vaccines into arms around the world has been the most satisfying work of Morio's career: “When you've traveled to remote villages in Africa and India, and seen the dedication and care of mothers traveling long distances and waiting in line to get their children a vaccination or a health screening, you feel the importance of minimizing the challenges and stresses so providers can focus on delivering healthcare and not on *is my refrigerator working? Or is the road washed out?* Things we take for granted.

“We've been working really hard to generate the best information we can to help them prepare for the vaccines rolling out. Now that they're beginning to flow around the world, it's very rewarding.” ■

— Ed Kromer

CLEAN CATALYST

Dever Haffner-Ratliffe leads renewable energy development within Washington state government



Dever Haffner-Ratliffe (MBA 2020) likes to say that she has “the brain of an MBA but the heart of a public servant.”

This hybrid approach has served her well as she leads the Clean Energy Program for the Washington State Department of Natural Resources.

In this relatively new role, Haffner-Ratliffe attracts and coordinates clean energy projects to be built on Washington State Department of Natural Resources Trust land. The revenue generated from these leases contributes to schools and local communities.

“It is a really interesting intersection between renewable energy, which I have a strong background in, public service, which I have a passion for, and business, because we are trying to run the trust lands like a profitable business,” she says.

Young and green

Haffner-Ratliffe has long been interested in the economics of green industries.

While she was in high school, her father started South Sound Solar, a construction company focused on solar and renewable energy. Its success required that everyone in the family pitch in.

So, Haffner-Ratliffe’s management career started early. She worked her way up from office assistant to vice president—in charge of strategic planning, operations management, marketing, human resources, accounting, legal and logistics. By 2015, the family business had grown to 20 employees and \$2 million in annual revenue.

After nearly a decade at South Sound Solar, Haffner-Ratliffe decided to take her skills to the public sector, which happened to be one of the largest employers in her hometown of Olympia, the seat of Washington state government.

She began in the Department of Labor and Industries before joining the Department of Commerce as manager of its Energy Efficiency and Solar Grants Program.

Mutual goals

At the same time, after considering several different graduate programs and schools, Haffner-Ratliffe decided on the Foster School’s Hybrid MBA.

“Ultimately, an MBA is more in line with the type of problem solving and challenges I want to help with,” she says. “And I knew I could immediately apply what I would be learning.”

She did just that. Course concepts and classmate advice went directly into her work leading grant programs that provide more than \$20 million in funding for renewable energy, energy efficiency and electric transportation initiatives.

And, shortly after graduation, she was promoted to lead a state-wide clean energy program.

In her new role, Haffner-Ratliffe leases state trust lands to viable wind, solar and other green energy companies and initiatives that have a low impact but generate high revenue—which supports local education and community development. This win-win supports Washington’s ultimate goal to be fully powered by renewable energy by 2045.

Achieving this ambitious goal will surely require partnership between business and government—two worlds she knows well, even so early in her career.

“I have seen that business and government don’t have to have the classic adversarial ‘regulation’ relationship,” she says. “There are many opportunities to work towards mutual goals and synergize efforts.” ■

— Elise Glaser



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Foster. The Future.

The HEART of FOSTER

In a year of pandemic-induced social distancing, it would have been easy—even understandable—to have balked at the call to service and community, to have postponed full-blooded participation until “next year.”

But that’s simply not the Foster way. Rising above the many challenges put forth by COVID-19, Foster MBA students together won their third-consecutive Golden Briefcase in this year’s MBA Challenge for Charity (C4C).

The annual C4C—now in its 38th year—pits the top west coast MBA programs against each other in friendly competition to volunteer the most hours and raise the most money in support of local nonprofits.

During the virtual 2020-2021 campaign, Foster MBAs tripled the next closest finisher in per-capita hours volunteered and dollars raised, ultimately donating more than \$54,000 to Boys and Girls Clubs of King County, the University District Food Bank and Special Olympics Washington.

In addition to serving these longtime partner organizations, “showing up” for C4C this year also meant attending a raft of creative fundraising alternatives to the traditional C4C auction gala. Among them, a virtual magic show, a Pet Royalty competition, a gingerbread house contest and the virtual Foster 5K and Foster Frolic Step Competition. In lieu of traveling to sunny Stanford for a culminating sports weekend, Foster MBAs took a communal polar bear plunge into a frosty Lake Washington.

Securing a third-straight Golden Briefcase is certainly a point of pride for a competitive group of MBAs. But winning is not really the point, according to Foster C4C president Alicia Howard (MBA 2022).

“Giving back to our community is integral to the Foster mission of ‘Better Together, Better Tomorrow,’ ” she says. “It’s about building something beyond our two years at school and reaching beyond the walls of PACCAR Hall to really get to know the organizations that champion the most vulnerable among us.

“To me, C4C is the heart of Foster.” ■



A BEQUEST CAN MAKE A LASTING IMPACT

A **charitable bequest** is a gift to charity transferred through a will or trust. You can make a bequest of any size and direct the gift to support the purpose or program at the UW Foster School that is most important to you. The Foster School receives significant support in this fashion, and it transforms students' lives, advances faculty research, launches new learning centers and empowers tomorrow's leaders.

For some, a bequest is their first gift to the UW, but for others it is a continuation of giving begun during their lifetimes. If you are interested in giving back as part of your estate, please contact us for a consultation to ensure the best match for your charitable intentions.

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